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West Europe Report

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POLITICAL

BELGIUM

MARTENS ON GOVERNMENT PRIORITIES, REGIONAL ISSUES, COALITION

Brussels LA LIBRE BELGIQUE in French 1 Sep 86 pp 2-3

[Interview with Prime Minister Wilfried Martens, by Guy Daloze and Andre Mean, in Bormes-les-Mimosas; date not given]

[Text] [Question] Your composer this vacation is Johann Sebastian Bach.

[Answer] Because for me, he represents perfection in music and I identify with him. Bach is essentially order and balance, two essential elements in my life. I do not like fantasy or deviation.

[Question] And your summer reading?

[Answer] It is trilingual. I liked the fictionalized life of Lincoln by Gore Vidal very much because it showed me that there were contrasting characters in the American Government. I also discovered that Lincoln, who deliberately chose the low profile of the country lawyer, imposed his will by the force of his personality.

I also read "Perfume" by Patrick Suskind, remarkably well translated from the German into French. In German, I read "Warum Ich glaube" (Why I Believe), a somewhat theological work. I have reached an age where one begins to meditate on life and death, the existence of God. The book impressed me and it also enabled me to refresh my German. I will need it for my official visit to the FRG.

Music, reading, basic physical exercise (swimming, walking, watering the flowers): All of these things give me a special pace of life in one of the most beautiful environments in the world.

Education

[Question] And yet, you have to think about getting back to politics. The beginning of the school year also. That will be the government's first problem, with so much talk about bungling.

[Answer] Choosing economy measures in education was an extremely difficult task. I understand the education community, so tied am I emotionally to education. It was a factor in my personal emancipation.

The recent period of drafting measures, redefining them and quarrels about figures is proof that the time has come for a dialogue on education with everyone involved. It will begin in September in order to evaluate what the economy measures mean in the field, but also in order to join together in studying measures for the next academic year. The economy measures will therefore have had the effect of the opening of real and continuing concertation of the political and world and the education community to study the necessary reforms.

[Question] Then education is not just a budget problem for you.

[Answer] Absolutely not! Because of the questions they brought up, the budget measures pointed to the need, in education and elsewhere, for far-reaching reforms. The discussion on changes had been in the wings on Rue Guimard for years. It will now resume, with the aim of creating a unique type of education, integrating the positive elements of what is both traditional and new. And by opening up the dialogue again.

[Question] Is such a dialogue still possible in the presence of Minister Damseaux?

[Answer] We have closed our discussion of individuals, but it is no longer possible for the individual responsibility of ministers to be swallowed up in the collective responsibility of the government. Today, in fact, every difficult political question is debated in the Cabinet and all delicate parliamentary questions are put to the prime minister as if one always wanted to involve the responsibility of the entire government.

The Val Duchesse plan is now expressed in legal texts and orders. This is an important new point because it will show more clearly and more visibly the individual responsibility of the ministers. It is now a matter of management and concrete responsibility. A problem will arise for ministers who are not capable of correctly achieving the objectives that have not only been decided upon politically, but also expressed in texts and concrete measures.

[Question] Have you thought of a Cabinet shakeup? Are you still thinking about one?

[Answer] I have always said that I did not view such a shakeup as an isolated factor. For me, it was linked to the success -- or lack of success -- of the Val Duchesse operation, which was to be a demonstration of cohesion. If a member of the government had not been capable of presenting the necessary measures in his sector in order to implement collective decisions, then one should have posed the question of the shakeup more specifically.

Today, it is the matter of concrete, practical management that is posed, with increased specific individual responsibility of each minister.

[Question] Is that a warning?

[Answer] No, but a shakeup will perhaps be necessary if one or more ministers do not succeed in applying the measures decided upon.

[Question] In other words, it is the *stok achter de deur*?

[Answer] Yes. Slowly but surely, we shall restore a healthier practice. Efficient management presumes greater responsibility on the part of each minister, especially when it is a question of budgetary reorganization.

Michel and Deprez

[Question] It has been said that you thought of adding Michel and Deprez to your team. Do those two presidents give you trouble remaining outside the government?

[Answer] I have no problems with the presidents of the majority and it is important to have reliable, loyal persons who believe in the coalition at the head of the parties. But everyone knows that since 1981, I have always tried to bring into the government those I considered to be very important men and women. A government is strong only if it had valid men. I have never had any complex about competition from prominent persons, not even within my own party.

Gerard Deprez and Louis Michel are extremely valuable politicians and their presence in the government or at the head of their party is an important thing. They can decide to remain president. That is their choice, their responsibility, and that can be as important for the government as if they became ministers.

[Question] There has also been talk of reviewing the role of secretaries of state.

[Answer] For the most part, I share the views of Jean Gol on this matter, but I have no immediate plan.

[Question] You did have, perhaps.

[Answer] There were suggestions during the Val Duchesse budget discussions, but they did not come from me. Furthermore, if the prime minister has ideas along these lines, he does not communicate them; he carries them out.

It is true that the current practice does not correspond to what was planned for the secretaries of state in the 1970 government reform.

[Question] Did you like Martens V better than Martens VI?

[Answer] No. Martens V was obviously a real government of change, with all the freshness of innovation. But Martens VI has the same style. He has just demonstrated that he could decide.

Debt

[Question] The operation on the public debt is an important element of your plan of reorganization. Some have doubts, saying that the banks should have paid more than 2 billion.

[Answer] The entire operation comes to 108 billion spread over 5 years. The net profit for the balance to be financed by the state is 63.1 billion. An effort of several billion is required out of the banks' own means.

The operation was planned very carefully.

[Question] With a catch?

[Answer] No catch as far as the technical planning is concerned. It was a very delicate matter because Belgium's credit abroad and the public's confidence in the government could have been questioned, but Minister of Finance Eyskens defended our cause before the officials of the financial world very well. The reactions show that the operation was beneficial.

Mastering the Demons

[Question] Will this new September session not also be a crossroads with the preparation of the 1987 Budget and the return of the community question?

[Answer] The top priority remains the task of economic and budget recovery. This will not change in September, but we have to master our demons. Every country has its demons. We have ours and I will not conceal the fact that mastering the linguistic demons in September will not be easy.

I would add that we must prepare, not overall community negotiations -- which would only be aimed at bringing back the socialists -- but complementary reforms (increased powers and financial means for the regions). The communities and regions must make part of the budgetary reorganization effort, but I want to include this effort within a broader framework. I also believe that we must take a serious look at Brussels' status.

However, I want to be extremely clear: The community issue is not a priority. Community negotiations would quickly have the look of a political operation for the government and the community itself. I believe that we have been wrong in the past to have government negotiations on the community. We must plan the community reform in Parliament.

I have told you of two subjects that become urgent, but there are others: the double term, the hierarchy of standards, conflicts of interest.

Everything depends on one's approach. Have we lost sight of the fact that the essential priority remains the country's recovery? For me, there can be no question of changing that priority.

[Question] Do you expect to revive the Center of Studies for Government Reform or do you prefer a more parliamentary approach?

[Answer] A more parliamentary approach.

[Question] Specifically, does that mean that the government will play an active role this time?

[Answer] The dialogue must take place in Parliament, but I will play an active role.

Happart Affair

[Question] Will the Happart affair be an opportunity to play this active role or could everything fall apart?

[Answer] I repeat: I hope that we can control the demons. Furthermore, I am convinced of a more fundamental need: the need for political stability and that of our institutions. That is the most important factor of our credibility abroad.

Maintaining a danger, a constant mortgage, on the country's stability is something extremely serious. I cannot say anything concrete at this time at the risk of compromising everything, but my ambition is to get rid of that mortgage. I would also add that we must respect the rulings of our country's highest legal bodies. And yet, the most important thing is to find a solution making it possible to eliminate the mortgage burdening the government and the country.

[Question] If, against your wishes, we are dragged into overall community negotiations, does this not mean that return of the socialists fairly soon?

[Answer] We must be clear. If we want to change the law of 8 August 1980 on regionalization or, in longer-range terms, if we want to revise the constitution, we need a two-thirds majority.

In theory, it is possible for a government with a simple majority to have the cooperation of one or several opposition parties. In the experience of Belgian government life -- except in the case of 1971 -- there is no precedent of outside cooperation of the opposition.

Therefore, those who speak of a tripartite government today simply want to force the entry of the socialists into the government. I would find that unfortunate because I am convinced that the Belgian socialists are not always capable of carrying out a budgetary reorganization. The proposals that come from them are not effective or serious. I am sorry to use such crude terms, but I believe that the arrival of the socialists would compromise the continuation of the work of budgetary recovery.

It would truly be harmful to have community negotiations that would fatally lead to the establishment of a government once again immobilized in its work of recovery.

Elections

[Question] You do not believe in an "objective" alliance between the CVP and the PS in order to go much further in government reform?

[Answer] Other spokesmen in the CVP -- I am thinking of Jean-Luc Dehaene -- have said that it was now completely impossible for anyone in the party to form another majority.

[Question] You would have to go through preliminary elections?

[Answer] We made an extremely clear choice in the last elections. We said that we wanted to continue the policy of recovery with the same coalition as under the previous legislature. I have personally committed myself to the objective, the method and the coalition. I do not want to deny that commitment. Moreover, no one could do it in the CVP, as Dehaene said. He is the spokesman for the ACW [Christian Labor Movement] in the party and the government.

If they tried to form another majority, it would be a stolen majority. We have obtained a majority in the country on a precise policy. If they want to change that policy, we would have to have new elections.

[Question] No overall community negotiations, but at the same time, you say that it is necessary to get rid of the Happart mortgage. Do you have something in mind?

[Answer] If I did, I would not reveal it now. I can simply say that I cannot act alone, but I can make my contribution.

I repeat that we have to get rid of the mortgage that is a constant burden to the government.

[Question] Does that mean that we need a basic solution?

[Answer] Yes. Such a situation must never be repeated. I find this entire affair out of proportion and unreasonable, but I also say that we must respect the decisions of the Council of State. It does not seem possible in a state of law not to respect the decisions of the Council of State.

First of all, we have to wait for the decisions and the motives for that decision. I know nothing, not the date, not the content or the considerations. These would be very important.

I repeat that we have to respect the decision. It is something else to eliminate the mortgage by finding a solution preventing such an affair from being repeated and threatening the life of the government at any time.

[Question] If Happart is broken and represented as a candidate for burgo-master, do you believe it would be a kind of insult to the magistracy?

[Answer] We must wait for the decision of the Council of State. In certain commentaries, things are presented in a somewhat simplistic manner. Much depends on the motivation of the Council of State. Is it a purely procedural question or a matter of substance? As a seasoned jurist, I must point out that elementary distinction.

[Question] In order to finish with this matter, do you believe that any modification in the Fourons statute is possible?

[Answer] It is not possible because reciprocity is not possible and we know what reciprocity is (Editor's Note: the trade with Mouscron-Comines in 1963). There was a link.

Nor must we forget that in order to change the statute, we would have to have a qualified majority and therefore, a majority in each community.

Expansion of Competencies

[Question] Another thing: Geens has officially posed the problem of the expansion of regional competencies. What is your position?

[Answer] There is obviously a problem of cleaning up the texts. There should undoubtedly be fewer exceptions. There is also a problem of a hierarchy of standards in what is called competitive matters.

The question of competencies is essentially linked to financial means. This is the first time that I have the impression, in 5 years, that we have come out of a period of confrontation to the benefit of real cooperation. Concerning financial means, suggestions have recently been formulated and it seems to me that they can help to find an agreement.

The current means are too limited, but their expansion should go hand in hand with the expansion of true regional responsibility. At the present time, the executive officials are concerned with the allocation of financial means, but do not have real responsibility.

Problems of Brussels

[Question] We have the impression that regarding the Flemish question, everyone is burying the notion of the "third region" (107 quater) on behalf of a resurgence of the great urban center with increased competencies. What is your position?

[Answer] I have no preconceived position. For me, it is all the same. If a good agreement can be found in the direction of a regional council and a regional executive, then I prefer that. For me, the application of the 107 quater is the most suitable, both with respect to the constitution and because it is the spirit of reform.

The important thing -- and this is what is new -- is that we can now speak of real interest from the Flemish for a status for Brussels. Our Brussels Flemish speakers have become totally aware of the problems of the capital. In the government negotiations, I saw that both French and Flemish speakers in Brussels fought together to solve the real problems faced by all Brussels residents. This will enable us to find a solution.

[Question] Are you for new elections for the Brussels Urban Center Council?

[Answer] I have no definite idea on the matter. On this question, I am relying on the two ministers of institutional reforms and those in my party who are concerned about the fate of Brussels. I am thinking of Chabert and others.

[Question] If there are elections, will we have to change the type of election planned in 1971?

[Answer] No, if we have the guarantee that, on the Dutch-speaking lists, there are true Dutch speakers. But I understand that my friends want to change the legislation to be completely sure.

[Question] Concerning the plan to reorganize the Brussels communes presented by De Donnea for the granting of rights of succession to Brussels, Dehaene spoke of a "mere piece of paper in order to get money." Do you share that opinion?

[Answer] I find it proper that Dehaene and Gol should be associated with the Brussels Executive. They are highly valuable men.

The Brussels Executive, with which the two ministers of institutional reforms are associated, is perfectly capable of drafting a reorganization plan.

[Question] Does that plan imply new guarantees for the Brussels Flemish speakers?

[Answer] One has but to read the reforms provided for in the government agreement.

[Question] But there is no question of guarantees for the Flemish in the government agreement.

[Answer] I believe that there is a problem of reorganization in order to arrive at healthy financial management and also a problem of reorganization in order to make the region and the urban center viable.

[Question] Everyone agrees on that, but this does not always imply new guarantees for the Flemish speakers of Brussels. What is your interpretation?

[Answer] That of the government.

[Question] And what is that?

[Answer] They were extremely precise in the government negotiations.

[Question] Consequently, there is more than the text included in the government agreement. Is it a secret agreement?

[Answer] No, but everyone agreed on the interpretation of the text. I believe that Dahaene and Gol's association with the Brussels Executive is now the essential guarantee for reaching a solution.

Cultural Bicomunity

[Question] In a year, the government was not able to come to an agreement on the fate to be reserved for the major cultural institutions (TRM, major Brussels museums, and so on), which remain national. Are you going to allow the problem to rot or even bury it?

[Answer] No, certainly not. We have decided to set up a working group within the government with the task of ensuring the continuation and expansion of these great cultural institutions. This working group is going to meet under my chairmanship as soon as we assemble.

These institutions face problems of management and financial problems. The working group must propose a formula of political responsibility. Are we to maintain the system of two ministers of national education or entrust responsibility to a national minister, either the prime minister or another? Personally speaking, I am for a single decision-making center.

[Question] You therefore do not anticipate any intervention by the communities in the management of these common institutions?

[Answer] That is excluded by the constitution. In order to respond to the sensitivities of the communities, we have for years entrusted responsibility for the institutions to the two ministers of national education: the Flemish and the French. It is a very difficult situation.

I think that we must now find a more fitting solution. It will be up to the working group to provide an answer.

Community Education?

[Question] In recent days, some have spoken of a kind of "preparatory communization" of education. Do you believe in a formula of that type?

[Answer] I do not. Experience has taught me that the communization of education is an extremely serious problem. I still believe that if we have not included guarantees on the ideological level in the constitution, then we cannot communize education. I personally propose to include the principles of the Education Pact in the constitution so that orders contrary to these principles could be canceled by the Court of Arbitration.

There is also the problem of financial means. It is linked to a new distribution of the means of the communities.

For these reasons, I have difficulty imagining the emergence of so-called "preparatory" solutions.

[Question] Now for the social aspect. It has been written that you had an agreement prepared with Houthuys.

[Answer] I have no agreement with Houthuys, but through unified efforts, we tried to respond to a series of crucial observations from the social interlocutors and especially, the CSC [Confederation of Christian Trade Unions] with respect to the concrete application of Val Duchesse, and we modified -- it was necessary -- certain very sensitive points in the measures. I hope that these real modifications will be properly appreciated.

[Question] Do you believe in a controversial new session on social matters?

[Answer] The working world is aware of the need for effort and the government has tried not to do harm for nothing. We have taken the trade union observations into account, but we cannot lose sight of the fact that it is in the interest of the workers to free ourselves from the budget nightmare.

I do not believe that the CSC has political objectives, that it wants to oust the government, following the example of Vandebroucke's FGTB [General Federation of Labor of Belgium].

[Question] What do you mean?

[Answer] The socialist movement either wants to oust the government by means of social agitation, or come into the government through the bias of the community issue, which would be a bad solution.

[Question] Why?

[Answer] Because it is a false path. We must take another, that of Parliament, if one again wants to open up the community file.

[Question] The interprofessional agreement is a way out or a hope?

[Answer] It is a serious hope, but I fear that the FGTB is not ready to sign such an agreement. Or, to be clearer, I believe that there is, within the FGTB, a struggle of influence between those who have a political objective (fighting the government) and those who have a social objective (concluding an interprofessional agreement).

[Question] And if there is no agreement?

[Answer] Then the government will intervene. We are awaiting an answer by 15 September. Employment is now an essential objective. Without an interprofessional agreement, we shall, as in 1982, establish the framework in which negotiations can take place in the sectors and enterprises.

[Question] We are aware of your personal interest in the audiovisual field, but the proposal on advertising has not yet been passed by Parliament.

[Answer] It was passed by a committee of the Chamber and will be on its agenda when Parliament comes into session publicly in October, so that it can be passed by the two chambers before the end of the year.

For me, it is a basic proposal because it authorizes commercial publicity on a single network per community. In the government's view, those that have an agreement with the press will obtain their authorization.

[Question] It does not bother you to entrust the monopoly over advertising to the private rather than the public sector?

[Answer] No, if the private sector has an agreement with the written press.

[Question] Why?

[Answer] Because pluralism is as essential in audiovisual information as it is in written information. We are still the only country in the European community in which there remains (in Flanders) a monopoly over audiovisual information.

Pluralism cannot be assured by private companies unless they have financial means from commercial advertising. There is nothing indecent about this. In Great Britain, which for me is a model in the field, the public BBC and the private ITV, financed by commercial advertising, coexist.

[Question] The new session will also witness ethical problems. We could well witness the establishment of different majorities (liberal and socialist, for example), which could constitute a danger to the government, which would have difficulty remaining above the melee.

[Answer] That is not the business of the government, as the majority says. It is a problem of personal conscience, but I do not underestimate the difficulty. One has, on the one hand, the government agreement and, on the other, sometimes very heated debate. If they want to cohabit within the government, all the majority parties must accept a certain form of reserve and they cannot allow themselves to support radical, extreme or extremist proposals. But I obviously do not in any way deny the government agreement.

[Question] What is your personal opinion?

[Answer] My belief is that, given the evolutions we have seen in neighboring countries that have introduced liberal legislation, we shall one day see that the essential thing regarding the matter of abortion depends on the professional and deontological conscience of the doctors and that a humanistic and human jurisprudence can solve many problems.

Moreover, this is the conception of the Dutch Council of State when questioned on a possible change in the law on euthanasia after painful discussions.

TGV

[Question] The TGV will also be a problem in the new session. As in the matter of the missiles, is it up to the government and not Parliament to decide?

[Answer] No. De Croo must present the matter to the government, which he has not yet done.

[Question] And Parliament will then have something to say.

[Answer] Obviously! As for the missiles, which come under the defense policy, the constitution expressly provided that the decision had to come from the government. Parliament could only approve or condemn the decision. In other fields -- such is the case of the TGV -- the government can intervene directly and define the content of the decision.

[Question] Your personal opinion then? De Croo spoke of a choice of society, of a chance not to be missed by Belgium.

[Answer] I do not want to say without knowing the elements of the file.

[Question] But you must act quickly because your European partners are awaiting a decision by October.

[Answer] The file will still be discussed in the European Council of Ministers, but the Belgian Parliament must intervene. And we must make a decision on the very principle of the TGV.

[Question] It has not been made?

[Answer] No.

[Question] Can this matter endanger the government?

[Answer] There are people, like the Liege residents, who absolutely want this proposal. There are others, like the people of Campine, who do not want it at all. Unfortunately for both, one has to cross part of the country to get to Liege. Therefore, we need a decision by the government and the national Parliament.

New Frontiers

[Question] We are now waiting for the government to set "new frontiers" for the country. Do you not believe that it is high time to give the government -- and the Belgians -- a second wind and new breath?

[Answer] People have perhaps, and rightly, had the impression that the government had confined itself to the budget debate alone. But it was necessary. Today, the great change, insofar as budget decisions are made loyally, is that a new space is appearing for the government, which is going to have the possibility of showing the real dimensions of its program for employment, industrial policy and fiscal policy.

[Question] Are you going to reduce taxes?

[Answer] I am convinced that a great fiscal reform is possible insofar as we succeed in the budgetary rehabilitation and if we have the courage to do away with all kinds of tax deductions, as they have done in the United States.

[Question] At the cost of a new Val Duchesse?

[Answer] The 1984 plan was not so bad, but its rehabilitation aspect was not completely carried out, mainly because of the political accident following the Heysel drama. The reorganization measures in education were included in it and even in the legal texts, but they were not applied. There is no question of a new plan. We must succeed now.

[Question] The next deadline will be budgetary control at the beginning of 1987.

[Answer] It is clear that we are going to succeed, thus confirming that a fundamental change has come about. Although I learned from Raymond Barre that budget work was a fight every week, work of perseverance in which there are no miracles. Above all, it is the fight of the prime minister and the budget minister.

[Question] You are aided by a good "gamekeeper."

[Answer] I wanted Verhofstadt to be in the government and to be minister of the budget.

[Question] In other words, Martens VI is more Martens-Verhofstadt than Martens-Gol.

[Answer] I will not get involved in that discussion, which would cast a shadow over the life of the government. It is normal that during the period of budget work, the name of the budget minister be in the headlines, but the role of Mr Gol and of Deputy Prime Ministers Nothomb and Dehaene and the other key ministers in general remains as valid as in the previous government.

Opposition

[Question] Is there not more dialogue with the opposition abroad? Certain sharp corners could undoubtedly be rounded off if you met with the opposition leaders, without necessarily deducing that there is something fishy.

[Answer] There is much greater hostility in France and Great Britain. Our great chance is that everyone knows one another and that in my different successive governments, I have had ministers from all the parties, with the exception of the communists. This creates extremely profitable bonds in the country that do not exist in the "bipolarized" countries.

And yet, personal contacts can always be interpreted as maneuvers against the government in power in order to form another coalition. That is why I have always been extremely strict on this question.

[Question] It is said that you have always refused a televised debate with Spitaels.

[Answer] The main opposition leader must challenge the prime minister in Parliament, which Spitaels has never done. As long as he has not expressed himself in Parliament, I shall refuse a televised debate.

[Question] And yet, he has just delivered a 45-minute "vote justification" in the Senate.

[Answer] Yes. But it was a matter of the fiscal bill and he knew perfectly well that I would not be present. The following week, I was there because it was a question of the ways and means budget, but he remained silent. That is strange....

Socialists

[Question] You do not believe in an alternative?

[Answer] He is following an extremely cautious political line because he has no real alternative.

[Question] It is therefore still not time for the socialists.

[Answer] No. They wait and see, aware of the fact that the government has to do what it is doing.

[Question] Are they not rather waiting for the government to perish from the inside?

[Answer] The government has just shown that its cohesion is as strong as under the preceding legislature.

[Question] But that one collapsed on the Heysel.

[Answer] It was an unexpected and exceptional event for which we were not responsible, a misfortune with unexpected political aftereffects.

[Question] You therefore believe that the most serious thing that could happen for the government is an unexpected event?

[Answer] In political life, the unexpected can be very important. There is no objective reason, no lack of cohesion or loyalty in the majority that can compromise the life of the government.

[Question] Could that unexpected thing be Jose Happart?

[Answer] It could be any passionate event.

[Question] And Bach was not a passionate musician?

[Answer] Every country has its individual difficulty in being governed. A debate on euthanasia compromised the life of the government of the Netherlands, when that is a homogeneous country, linguistically and culturally speaking. In our country, we have to master our own demons, contribute measure and moderation, be constantly vigilant and cautious. You felt it in my own remarks: In the general interest, I become more conscious of that prime element every day.

[Question] It is that reserve that makes them call you a "cold fish"?

[Answer] Indeed. I am not a cold fish, but I am extremely aware of the need to provide good leadership for the country.

11,464
CSO: 3619/3

POLITICAL

FEDERAL REPUBLIC OF GERMANY

SURVEY SHOWS INCREASED SUPPORT FOR NATO SINCE 1984

Frankfurt FRANKFURTER ALLGEMEINE ZEITUNG in German 8 Aug 86 p 4

[Article by fy: "Approval of NATO Alliance Up"]

[Text] Bonn, 7 Aug--NATO's approval rating has "risen appreciably" among the populace of the Federal Republic since the end of 1984. The Konrad Adenauer Foundation's Sociological Research Institute has reached this conclusion. A representative sampling by the Institute of more than 5,000 registered West German voters showed that the number of those who believe NATO ensures peace has risen from 57 percent in the autumn of 1984 to 62 percent this spring. The inquiry also demonstrated, however, that the share of those who believe peace would best be guaranteed by a neutral West Europe without NATO is relatively stable at one-fifth of the electorate. In October/November 1984 it was 20 percent; in April/May of this year it was 19 percent. In addition, another 21 percent (spring 1986) either did not express an opinion or did not wish to exclude either position for ensuring peace.

A noteworthy aspect of the research results is the fact that the proportion of advocates of a neutralization of West Europe is largest among the youngest group of voters, the 18- to 24-year-olds, and at 31 percent is 18 percentage points higher than that of the voter group over 60 years of age. In the youngest voter group the share of those favoring a neutralization declined only from 32 to 31 percentage points during the period of time under investigation. Even in the next age group, the 25- to 29-year olds, the proportion of neutralists sank from 30 to 28; in the case of the 30- to 44-year-olds, from 22 to 20 percent.

It is also remarkable that the share of advocates of a neutrality policy increases with the level of education. Among those polled who have passed university admission exams or have completed secondary school, the number of neutrality advocates has even risen--from 28 percent in the autumn of 1984 to 31 percent in May of this year. Among those polled who did not complete their educations, on the other hand, the figure declined during this period from 18 to only 14 percent. The proportion of neutrality advocates is highest among the supporters of the Greens. There it grew during the period under investigation from 51 to 57 percent, while it remained constant at 7 percent among supporters of the CDU/CSU. In the FDP it sank from 16 to 9 percent, and in the SPD from 24 to 22 percent. On the other hand 83 percent of CDU/CSU members approve of NATO, as do 55 percent of the SPD, 71 percent of the FDP, and 26 percent of Greens members.

There are also differences in the development of opinion on the subject of NATO between members of the two religious confessions. Of those polled of the Protestant faith, 60 percent presently approve of NATO; of the remainder, half are advocates of neutrality and half are undecided. Among Catholics, however, the number of NATO advocates amounts to 66 percent; only 15 percent favor neutrality. Among those questioned who are not members of a denomination, only 48 percent were for NATO, while 35 percent declared themselves for neutrality.

The increase in NATO supports during the period under investigation was above average in the younger groups. Among the 18- to 24-year-olds, the percentage of supporters rose from 41 to 50 percent; among the 25- to 29-year-olds, from 46 to 54 percent; among those who are between 30 and 44 years old, from 55 to 62 percent. All in all, the investigation suggests that, in its attitude toward NATO, a polarization of public opinion is becoming evident. This has also led to a reduction in the proportion of undecideds, from 21 to 19 percent.

For the upcoming election campaign another finding of the poll might be of value: Guaranteeing the peace has grown considerably in importance for West German citizens. Accordingly, in October 1970, 70 percent of the populace ranked guaranteeing the peace as "very important." By the middle of 1986, 88 percent did so. Thus, for a great majority, this question has the highest priority. To date, West German citizens regarded only the guaranteeing of jobs--which presently at 82 percent has fallen back to second place on the list of issues of public concern--as being of comparable importance. As the poll also showed, guaranteeing peace is almost equally important for supporters of the various parties: 89 percent of CDU/CSU voters, just as 89 percent of the SPD, 92 percent of the Greens, and 85 percent of the FDP regard it as the most important issue.

13238/13045

CSO: 3620/790

24 October 1986

POLITICAL

GREECE

COMMENTS ON ND'S MITSOTAKIS, HEIRS APPARENT

Athens TA NEA in Greek 10 Sep 86 p 6

/Article by Vasilis Tzannetakos/

/Text/ It is an indisputable fact that New Democracy is facing a leadership problem despite the fact that "technically-speaking" Mr Mitsotakis appears strong and in control of the situation. However, the latest developments within ND have rightly left the impression that an "heirs apparent race" to Mr K. Mitsotakis has begun and all of his apparent overthrowers seem to be waiting for the proper moment to "strike."

This moment is being timed for after the municipal elections which have already tried ND's unity in many instances since the party leadership has not succeeded in checking personal ambitions or in activating the party organization on behalf of its choices for the elections.

In its first phase the process for undermining Mr Mitsotakis includes regular differences from the official party positions which --according to estimates of those who are leading the dispute in question-- are laying the groundwork for a change in leadership. The latter is being criticized, among other things, for having failed in its "anti-Andreas" role for which it had been elected because, among other things, its presence constitutes a factor hindering the attraction of centrist voters who shape the final electoral results and provide --on behalf of one or the other-- the "critical" difference that assures a self-sustained majority.

If the identification of Mr Mitsotakis' problems is easy the process for resolving them is more difficult since all the "talk" of succession is based on many illusions, at least with the prevailing facts.

This is so because Mr Mitsotakis' big advantage, despite the underminings and disputes, continues to be the split among his intra-party opponents who covet his position. This split, that is basically due to personal ambitions for the succession, permits Mr Mitsotakis to move relatively easily and not to be afraid to the extent that he can check and control developments relating to his overthrow since according to prevailing data there is no single internal "opposition" capable of moving forward and be convincing of its credibility and capabilities.

In ND's case the well-known folk saying "too many cooks spoil the broth" is absolutely confirmed in fact where the broth is the change of leadership in the party and the "cooks" are those who "have designs on" Mr Mitsotakis' position.

At this time there are at least three individuals who are said to be candidate heirs apparent to Mr Mitsotakis: one is Mr Rallis who, however, constitutes a particular case, while the two others are Mr Evert and Mr Varvitsiotis who have almost openly expressed their ambitions and who systematically see to it that they differ from the "official" positions of Mr Mitsotakis and the party organs he controls. In the battle for succession one many also mention the name of Mr Dimas who, of course, has not officially declared himself. He appears "obedient" but this does not mean that he does not consider himself, having meritorious credentials, as a "solution" to the existing leadership problem being confronted by ND.

These three persons (Evert, Varvitsiotis and Dimas) constitute the expression of the new political potential age-wise for ND that aspires to play a leadership role in case circumstances permit Mr Mitsotakis' replacement.

And yet other personalities are moving on the ND behind the scenes front and who have ties to "historic" persons of the party (for example, Mr Rallis) or with persons "of the same age," party-wise, as Mr Mitsotakis (for example, Mr A. Kanellopoulos) who have not hidden their "desire" to play some leadership role if circumstances should favor them.

These personalities, among whom are quite a few deputies, have contacts with ND's "historic leadership" (Papakonstandinou, Averof) which although it does not have personal ambitions as such does have a lot of influence and can influence some developments by throwing its weight on behalf of some who consider themselves obvious "heirs apparent."

However, from the moment when the intra-party opposition to Mr Mitsotakis is split into groups and cliques the position of the present ND leader is said to be strong since there is no unified power capable of garnering the majority of the parliamentary group of the party and influence the "electoral body" that brought in Mr Mitsotakis with the new party statute to make more difficult any process to oust him.

Thus, in the present phase the situation appears to be controlled by Mr Mitsotakis since there is no one opponent confronting him. Of course, this situation may be upset after the municipal elections in case the latter are unfavorable to ND and a united front would have been organized against him, something, however, that presupposes an agreement over the person who would be the new leader. Because at this time the situation reminds one a bit of the question asked in a children's game "why him and not me" where the "him" is one apparent leader and the "me" is the other.....

In certain ND circles that are not on friendly terms with Mr Mitsotakis there is an idea according to which the replacement of the party leader can take place through a "service" individual having common approval who would remain as leader for only a short period of time to permit the achievement of an agreement among the "heirs apparent" for a new "permanent" leader. According to evaluations made, the role of leader could be played by Mr Rallis who, among other things, will ensure that party cadres from "the old guard" will renounce seeking the leadership and this to the benefit of the younger ones.

The founder of the party has constituted the pole of attraction for those dissatisfied with Mr Mitsotakis. He has also become the target of criticism by the ND leader's entourage since he is "criticized" for at least tolerating the different views put out by Mr Evert and Mr Varvitsiotis who are considered as his "influences" from the past.

The "distance" kept by Mr Averof in connection with the support of Mr Mitsotakis is attributed indirectly to the founder of the party whom certain sources say --despite denials-- that he wants to play a role in the shaping of a new political scenario on a governmental level to which Mr Mitsotakis has every reason to oppose because he realizes that with any such developments he will definitely lose "the train of power and authority" to the benefit of his intra-party contestants. The latter have begun to differ with Mr Mitsotakis over serious matters, such as the simple proportional electoral system (Evert) and a "government of cooperation" (Varvitsiotis).

Nevertheless, what is being looked for in this particular instance is to what extent the positions of these cadres constitute their own personal opinions or conceal some other intentions that will show up in the future and will have a connection with the manner in which Greece will be governed once certain matters and issues in abeyance dealing with foreign policy are resolved beforehand by the present government. To the extent that the first version prevails (personal opinions) then matters for Mr Mitsotakis are rather satisfactory. If, however, there are really other intentions then matters become more difficult since mechanisms will be set in motion --even perhaps from the other side of the Atlantic-- that will be capable of influencing intra-party developments in the desired direction (overthrow of Mitsotakis or even going as far as the breakup of ND).

It does not appear that Mr Mitsotakis is afraid of this since he has made a clear allusion to "other centrists" who want to shape ND's policy.

However, if there is a basis to these other intentions then the future of not only Mr Mitsotakis but of ND as a united party format is gloomy if one were to judge that the presence of Mr Mitsotakis constitutes a hindrance for the promotion of "realistic" solutions to the political problems of the land.

And in such a situation an oxymoron phenomenon will appear where Mr Mitsotakis will be waging a battle against the "apostates" and "foreign interventions" and will be waging "the battle of independence" some 20 or more years from when he should have done so. But at that time he chose the role of "perpetrator" of the same methods.

5671

CSO: 3521/2

POLITICAL

GREECE

KKE MUSICIAN/DEPUTY REPORTS ON ALBANIAN VISIT

Athens TA NEA in Greek 8 Sep 86 p 19

[Article by L. Papadopoulos]

[Excerpts] It was months since I had last seen him --over 6 months-- and I was eager to see him again. So, when a common friend, Sakis Todoulds, informed me on Saturday morning that "Mikis returned from Albania last night, is leaving Thursday for Turkey, will then travel to Europe and from there to Australia from which he will return at Christmas," I hastened to give him a phone call to get to see him. Mikis Theodorakis told me, "Grab a cab and come on over." In half an hour I was at his house.

"So? The "Roads of the Archangel" (note: this is the title of the book containing his memoirs) will include your impressions of Albania?"

"Of course. You know, I visited Albania with a delay of several decades. I wanted to visit there from way back because I have great love for the Albanian people who had stood with incomparable self-sacrifice at our side from the time of the Greek-Albanian war."

"Who invited you to Albania?"

"The Albanian Government. For exactly that reason I met with the president of the country and with the secretary of the Labor Party, Ramiz Alia. Our meeting lasted 1-1/2 hours. It took place in a cordial atmosphere and whatever we talked about was important, at least as far as I am concerned."

"What did you talk about?"

"We talked about relations between the Greek and Albanian people. The Albanians love us, they think highly of us and they want our friendship and our cooperation in all fields of endeavor."

"The Albanian president talked to me very positively about the Papandreou government and expressed the hope that the policy of friendship and cooperation inaugurated at the time of the Papoulias visit would be continued. He also referred to the Greek minority and to the fact that the Greeks of Albania have acquired the same rights as Albanian citizens. He also spoke of the spectacular development --always in

comparison to the past--of his country. An example: 40 years ago the Albanian people were 99 percent illiterate. Today, there is not even one Albanian who does not know how to read! The eight-grade secondary school is obligatory and thousands of scientists, technicians and specialized craftsmen graduate each year from universities, institutes and technical schools. Of course, he also mentioned the most important of all: to the fact that all of this is being done by the Albanians all by themselves. The country's constitution includes two important articles. The first prohibits foreign bases. The second prohibits loans from foreigners. Therefore, this small country is perhaps the only one in the world that has no kind of dependence, commitment or debt."

"What are its relations with other countries?"

"It has diplomatic relations with 102 countries. And trade relations with others. The only thing is that it gets only for what it pays."

"And that amounts to what?"

"Ramiz Alia told me: 'We don't eat with gold spoons. And yet there is food, clothing, housing, work, culture and education for all. We know what we need. And we manage to put a little aside. Just like good housewives.' The minister of culture and education, who has wanted very much to meet Melina Merkouri, told me that the state provides education, culture and health with 38 percent of the annual budget."

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CSO: 3521/2

POLITICAL

GREECE

'PLETHORA' OF PRO-SOVIET PRESS ARTICLES

Athens EMBISTEVTIKO GRAMMA in Greek 10 Sep 86 p 7

/Passages enclosed in slantlines are underlined in original text/

/Text/ Foreign journalistic circles in Greece //are surprised// over the /plethora/ of pro-Soviet articles appearing in the Greek self-proclaimed progressive press. It is characteristic that last week the pro-government newspapers TA NEA, ELEVETHEROTYPIA, PROTI and ETHNOS --as we have gauged-- devoted a total of 28 pages to the presentation of //pro-Soviet articles//, with the most impressive being ELEVETHEROTYPIA which had 10 of the above-mentioned pages. More specifically, the Monday, 1 September. issue of ELEVETHEROTYPIA //had devoted// five pages to pro-Soviet articles two of which related to the Chernobyl nuclear accident. Within the context of the reportage the only thing the newspaper's "correspondent" //omitted// in his description was to persuade his readers that from now on they should go on vacation right next to the nuclear plant itself. Moreover, the USSR was greatly promoted through the //sports pages// of the Greek press which lavished more praise on it than even the official Western European communist party press such as the French L'HUMANITE or the Italian L'UNITA. As //West European observers// pointed out to us, the pro-Soviet position of the self-proclaimed progressive press constitutes a //unique// phenomenon in West Europe. It surely must have some broader meaning: diplomatic and geopolitical.

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CSO: 3521/2

POLITICAL

GREECE

BRIEFS

PROBLEMS REPORTED IN EYP--Problems are multiplying in the former KYP [Central Intelligence Service], because of the fact that the subject of establishing the organization chart has remained stagnant. The committee that had been set up to that effect is not "producing producing," and it seems that part of the responsibility must be attributed to Makedos... The cooperation between Makedos and Drosogiannis is "admirable," to the point that the former's relations with the Security Service is encountering problems. It is said, specifically, that Makedos passes on the information first to Drosogiannis, and Security, as a result, comes second and "perspired." No one should think, moreover, that the older problems (under Alexakis) in the relations between the KYP and Security have been overcome. They still exist. However, they are kept below the surface... The former secretary general of the Ministry of Public Order, K. Tsimas, is assuming his duties at the EYP [National Intelligence Service] as deputy chief of operations next Monday. The decision about his appointment has been signed. It remains to be seen how his cooperation with Drosogiannis will go!... [Text] [Athens PONDIKI in Greek 12 Sep 86 p 5] /9599

PAPANDREOU SUCCESSION PLANS--Prime Minister Papandreou is seriously considering future political developments and information we have obtained says that he is concerned about the presidency of the republic, even if this subject will only be dealt with in March 1990. According to our information, the prime minister, who will be 72 in 1990, wishes even now to prepare his succession in the PASOK, which, however, he views only in connection with his son G. Papandreou and his immediate family environment. Within this context, a special work group consisting of the prime minister's advisors and young scientists friendly to Giorgos Papandreou is preparing a multi-sided study of prospects in order to investigate and identify the tendencies that will be prevalent in the decade of the nineties. These data will be the basis for the various scenarios for Giorgos Papandreou's ascension to power and also to the leadership of the PASOK. According to our information, U.S. "shapers of public opinion" will also participate in this undertaking when it will be judged "essential," and preliminary contacts have already taken place. It seems that Mr Papandreou believes that under present political and economic circumstances, the PASOK is able to show itself the strongest party in the next legislative elections, even without an absolute parliamentary majority. This is why a special work group will soon be formed to study the probable system to be used in the next elections. [Text] [Athens EMBISTEVTIKO GRAMMA in Greek 18 Sep 86 p 3] /9599

GOVERNMENT MEMBER AGAINST PASOK--Kerkyra--Minister of Education A. Tritsis, speaking at the Kerkyra PASOK youth festival, very severely criticized the PASOK party organs encompassing the public services and organizations. Tritsis stressed that the slow production rate of the public services and organizations is owing to the laziness and inability of the party organs encompassing them. As evidence, he reported that in "Olympic Airlines"--for every one of its aircraft there are 417 employees, versus 60 under ND, as he maintained--the rates of progress are not at all satisfactory, precisely because the throngs appointed under PASOK are unwilling to work.... [Text] [Athens I KATHIMERINI in Greek 9 Sep 86 p 1] 9247

CSO: 3521/249

POLITICAL

ITALY

DC-PCI ALLIANCES INCREASING IN LOCAL GOVERNMENTS

Rome LA REPUBBLICA in Italian 10-11 Aug 86 p 3

[Article by Miriam Mafai: "DC-PCI, in the Provinces Things are Going According to Fashion; Historic Compromise in More than 400 Communes"]

[Text] More than 1.7 million citizens are governed by administrations of this type. The signs of crises, breaks, and rethinking are coming primarily from the five-party set-up. Uncertainties of the PRI and PSDI.

Rome--"At the same time that the confidence vote for the second five-party government headed by Craxi was being given, a DC-PCI-PRI-PSDI alliance was being elected at Massa Carrara. It is a big mess." That is how Valdo Spini and Silvano Labriola, deputies of the district, yesterday described the outcome of the crisis in Massa Carrara commune. On the other hand, the Republicans seem rather satisfied with it: to celebrate the event, Spadolini himself will be participating next Saturday at Massa in the "Feast of the Edera." Of a different stamp is the Frosinone alliance, in which the Communists are participating in an alliance of "public health," with membership of all the parties with exclusion of the MSI.

The two situations, Massa and Frosinone, are thus not reducible to a single pattern of analysis and evaluation, but are the sign of a diversification in the formulas of local government that tends to go beyond traditional alignments: either alliances of the left or five-party.

In reality, it is primarily from the five-party set-up (often pushed to the sideline in the past year because of national decisions) that there come signs of crises, breaks, and rethinking.

In this process of reexamination of the formula, it is often Republicans and Social Democrats who are proposing new alliances. On the other hand, particularly in Emilia, there is evidence of the effort by the PCI to emerge from the isolation of the "monocolor" (to which it is compelled by the Socialist rejection). And also in this case, as already happened at Bologna, the PRI has played a by no means secondary role.

At the national level, the Socialists are watching this movement situation with concern to the extent that it manifests itself as an autonomous, local

phenomenon, governed by needs and problems of individual localities, and not reducible to national directives and formulas. Thus, while Spini and Labriola are inviting the leading bodies of the PRI and PSDI to get involved against the Social Democrats and Republicans of Massa, the PSI's deputy in charge for local authorities, Arturo Bianco, is condemning the "Frosinone event," where the PCI is becoming involved to join a program alliance of which the PSI itself is a member. "Alliances in which the DC and PCI are simultaneously present are spreading like a drop of oil: there are already 405 communes, 121 of them with more than 5,000 people, for a total of 1,754,688 people," said Bianco. "They arise from a distinct and marked anti-Socialist tone."

"No anti-Socialist tendency as far as we are concerned," replied Gianni Pellicani, in charge of the local authorities section of the PCI. "Our main policy is and remains search for a positive relationship on the left. Also at Massa, the process of broadening the alliance was undertaken in agreement with the Socialists; it is not our fault if the PSI later drew back. At Imperia it was we who offered the PSI a leading role in rediscussion of the program and formula. We made the same proposal at Naples. Yet it appears to me that the Socialist comrades are not always and everywhere seizing the potential offered by these processes that emerge from actual conditions of emergency on the local level."

Pellicani, who was also deputy mayor of Venice for 5 years, is convinced that the five-party set-up is experiencing a crisis at the local level, and that the search for new government formulas should be very free, always starting from the problems of the individual cities. The case of Naples (but also really of Genoa, or Venice itself, or even Rome) is an example of this point. If you give preference to formula you will necessarily remain bogged down in repeated situations of difficulty or crisis, or at least low profile management of the daily problems themselves.

"You need to start with the programs," insists Pellicani, "and experience teaches me that with programs at a certain point you succeed in reaching agreement. Things went this way also at Naples, where the emergency was dramatic. The red signal regarding an agreed solution for a program alliance was raised for motives that had nothing to do with the problems of the cities."

The formulas, when you start from programs, can be very different, and there is absolutely no reason to be shocked if in some cases--more or less frequent--the agreement is reached also with the DC. The Communists think: less than ever should the Socialists be shocked that they are participating with the DC in the national government. "In this sense, the PSI's argument appears to me to be making excuses," said Pellicani. "Let us talk about things: the emergency exists, it is not our invention. And we are not limiting ourselves in a formula debate, one of mutual prejudices."

9920

CSO: 3528/011

POLITICAL

ITALY

PCI, DC CLASH WITH PSI ON REORGANIZING AERONAUTICAL INDUSTRY

Milan IL GIORNALE in Italian 1 Aug 86 p 11

[Article by M.D.F.: "DC-PCI Dangerous Games; Aeronautical Pole Stationary"]

[Text] Communist Motion Increases the Confusion. Meanwhile, Pomicino Issues Call Also to Craxi.

Rome--The "aeronautical pole," at least for now, will not come about. This is the only almost sure element in a startling and extremely nebulous situation. The final touch in confusing the situation was introduced by the Communists: they presented a motion calling for the merging, within a specialized holding company (the "pole") to be entrusted to IRI, of the Aeritalia and Agusta groups.

This initiative leads to two conclusions: one correct and the other erroneous. It is correct that the Communists have come to the aid of the Christian Democrats in the intention of creating difficulties for the Socialists, quite aside from being enthusiastic about entrusting the aerospace monopoly to the IRI. On the other hand, it is wrong to conclude that the Communist initiative provides a remedy for purposes of procedural brevity: the Communists, with a genuine "flash of genius," have helped the Christian Democrats, but in the ... wrong chamber. The "aeronautical pole" is in fact under discussion in the budget, defense and industry committees in the Chamber; the Communist motion was instead presented in the Senate. Hence, for several months it will not help anything or anyone.

In the meanwhile, the chairman of the Chamber budget committee, carrying out what had been previously announced, has called the premiership office for a hearing on the aerospace sector. By this means the members will learn (but when?) the government thinking, the thoughts expressed by Minister of Industry Altissimo and Minister of State Participations Darida having turned out to be "not plausible" and noncommitting.

Prime Minister Cirino Pomicino, despite the startling rift between the pro-IRI Christian Democrats and the anti-IRI Socialists, remains optimistic: he predicts "conclusive documents" within a very short time, and soon thereafter a "committing resolution" for the government.

The situation does not appear to support Cirino Pomicino's optimism, because the emergence of dissent coincides with the formation of the new government: it is not thinkable that the "aeronautical pole" can be solved prior to the parliamentary debate on confidence in the new government. Furthermore, it is obvious that after that debate Parliament will go on vacation and will not discuss the "pole."

In this context, neither the statements by Socialist Deputy Tempestini nor those by the imminent leadership of the Social Democratic Party appear to contribute to a solution. The former supports the cabinet and affirms that the letter sent by Under Secretary Amato to the Chamber committees--in which it is maintained that Darida and Altissimo had spoken in personal capacity, not representing the government--was not sent in order to prevent votes that would promote success of the supporters of the "IRI solution." The latter--the leadership of the PSDI--will devote a session to the issue to decide on its own approach.

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POLITICAL

PORTUGAL

POLL MEASURES POLITICIANS' POPULARITY

Lisbon SEMANARIO in Portuguese 30 Aug 86 pp 3-5

[Article by Margarida Viegas; first paragraph is SEMANARIO introduction]

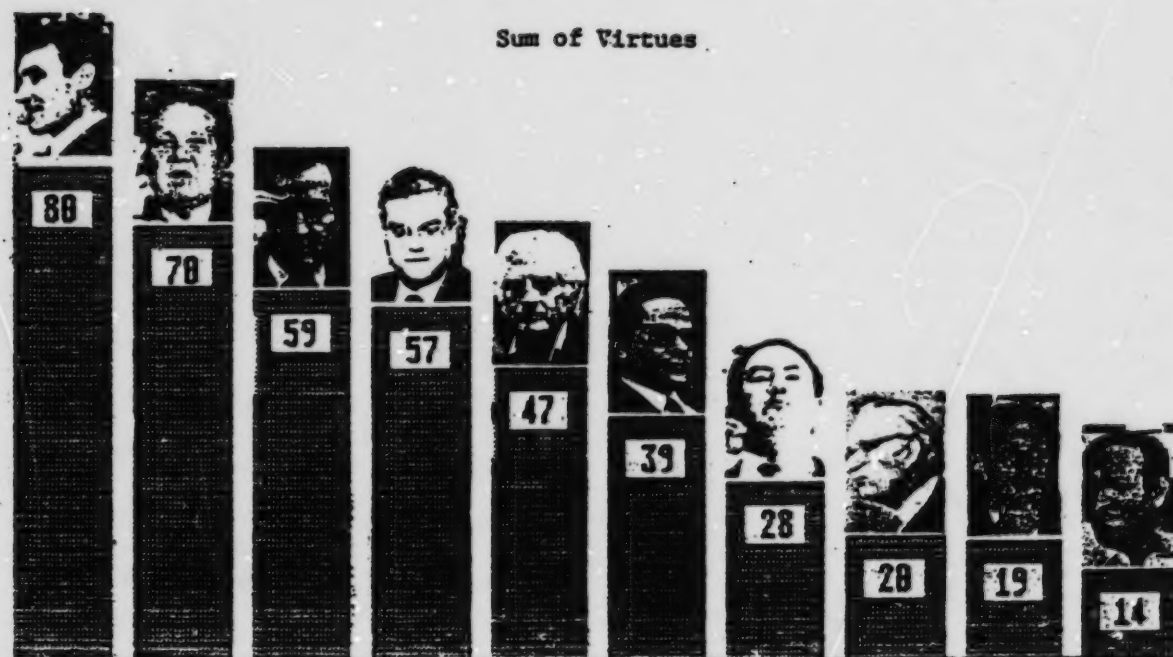
[Text] Cavaco reminds one of those films full of Oscar winners whose actual qualities as good actors are not really known. At the same time, public opinion appreciates the warm geniality of Soares, is not impressed by Constancio, and mercilessly flogs Adriano.

A simple glance at the graph below shows us Cavaco as a political giant. The scores were obtained as follows: the respondents in the poll were asked to say which of our 10 most important figures (Soares, Cavaco, the leaders of the main parties, the regional chairmen, Freitas, and Eanes) they considered most endowed with a particular quality (from a list of 10). Then a value of 10 was assigned to each first place, 9 to each second place, and so on down the list. Naturally, unlikableness was ignored.

Cavaco comes across as being tops from almost every point of view. He is surpassed only by Soares in skill and likableness, by Freitas in intelligence, and by Cunhal in unlikableness--although unlikableness is not generally considered a great virtue in politics or anything else. We definitely have a superstar prime minister: the most efficient, the most hardworking, the most sincere, the most honest, the one with the greatest future--and even the best looking. God outdid Himself with all that prodigality.

But could the star be fading? The fact is that after 10 months of the privilege of being governed by that well of virtues, the country is showing singular ingratitude by saying--by a convincing majority of 40.4 percent--that the man who did it the most good was Sa Carneiro: the man whom it rewarded--after he, too, had been in power for 10 months--by increasing his majority.

Skeptics will call this a new attack by the nostalgic myth which not even the brilliant performance by his "heir" Cavaco can restrain in the Great Beyond. But that explanation does not work because the verdict of the poll is that after Sa Carneiro, although following him at a respectful distance, the national good fairies are Eanes (17.9 percent) and Soares (17.5 percent)--and both are alive and well. In fourth place, and with Cunhal right behind him,



is Cavaco, who represents salvation only in the eyes of 4.6 percent. He came, he saw, he conquered—but he does not seem to be convincing people.

What is worse, there are even more people who, on the contrary, regard our gifted ruler as the main cause of our troubles (6.6 percent), although Cunhal is king of the mountain in that particular respect—he is as outstandingly detrimental as Sa Carneiro was beneficial. He is accused by 38.9 percent of having harmed Portugal like no one else. Strangely, and despite the CP's strength, only 1 percent assign the role of chief bogeyman to Sa Carneiro (the percentage in Evora climbs to a still moderate 11.3 percent). At 1.6 percent, not even Eanes, an aloof figure, gets a lower score. Soares' long career places him at the meeting point of two contradictory opinions: there are almost as many people regarding him as the good angel (16.5 percent) as there are who see him as the bad angel (17.5 percent) in the system.

On the other hand, Freitas and Eanes, linked in different stages of grace--one because he has never been Number 1 in power and the other because he has always tried to conceal the fact that he was--stand out in this poll as the nation's great standbys. At the other extreme, Adriano is confirmed to be a lost cause, and Constancio checks out as an unfortunate choice with unfortunate qualities.

Who Has Benefited Portugal Most?		Who Has Harmed Portugal Most?	
Name	Percentage	Name	Percentage
Sa Carneiro	40.4	Cunhal	38.9
Eanes	17.9	Soares	16.5
Soares	17.5	Cavaco	6.6
Cavaco	4.6	Eanes	1.6
Cunhal	3.6	Sa Carneiro	1.0
No one	7.6	No one	13.2
Don't know	8.4	Don't know	22.3

Perhaps it would have been advisable to find out first what the Portuguese want most from their leaders: if we remember correctly, the answer according to an old poll is efficiency and honesty. And in that area, Cavaco is dethroned by no one. But with that matter behind us, let us continue looking at NORMA's catalogue of merits one by one. The reader must judge, but let him be prepared now for such thrills as that of discovering that Adriano is considered less intelligent than Eanes and that Martinho, the very image of ethical behavior, is regarded as the least honest and least sincere of the whole lot. For that matter, the centrist professor with his lengthy background and the man from Ribatejo awakened by Eanes are competing furiously with Mota Amaral and Jardim (who perhaps are penalized by the fact that the poll was confined strictly to the mainland) for last place in all categories of excellence.

NORMA began with the question of beauty. People say that beauty is not essential for happiness or, even less, for engaging in politics, but let us also consider that aspect.

Here what used to be called the Right is ahead. After Cavaco (22.4 percent), who is four times more attractive than Constancio (5.6 percent), it is Freitas who has the most captivating physique--thanks to the particular sensibilities of the ladies, since the gentlemen do not see themselves along those lines. Moreover, as is going to be repeated frequently in this poll, whereas Cavaco democratically arouses the admiration of all social classes, the veneration accorded the attributes of his former presidential candidate declines along with social status--the poor do not think Freitas is handsome.

Soares appears handsome in the eyes of Vila Real, which incidentally tends to venerate him from every point of view--in contrast to Lisbon's eternal and still unvanquished resistance. For his part, the austere Mota Amaral probably does not mind being regarded as "militantly" ugly, since he is in the good company of Jardim, Adriano, and Martinho. In any case, at any spot on the scale below the still attractive Eanes (12 percent), attractiveness becomes irrelevant.

Which politician is most....?

	Intelli-		Efficient		Unlikable Hard-		Sincere		With the
	Attractive	Honest	gent	Likable	Skillful	working			best future
1	Cavaco 22.4%	Cavaco 21.8%	Freitas 24%	Soares 22.5%	Cavaco 34.7%	Soares 29.3%	Cunhal 36.5%	Cavaco 23.6%	Cavaco 26.0%
2	Freitas 15.1%	Eanes 21.1%	Cavaco 19.8%	Cavaco 21.8%	Soares 11.6%	Cavaco 18.5%	Freitas 17.1%	Soares 12.1%	Soares 15.9%
3	Soares 12.3%	Freitas 9.8%	Soares 17.1%	Freitas 19.3%	Eanes 6.8%	Cunhal 12.9%	Eanes 6.4%	Cunhal 8.9%	Constâncio 12.1%
4	Eanes 12%	Soares 9.6%	Cunhal 8.9%	Eanes 8.6%	Cunhal 6.8%	Eanes 6.0%	Cavaco 4.7%	Freitas 7.6%	Eanes 6.9%
5	Constâncio 5.6%	Cunhal 6.1%	Eanes 8%	Jardim 5.5%	Freitas 5.2%	Freitas 5.3%	Soares 4.6%	Freitas 7.3%	Freitas 5.8%
6	Cunhal 3.7%	M. Amaral 3.3%	Constâncio 4.8%	Cunhal 2.6%	Constâncio 4.8%	Constâncio 2.8%	Constâncio 4.1%	Jardim 3.5%	M. Amaral 2.1%
7	Martinho 1.8%	Constâncio 3.2%	Adriano 2.1%	Constâncio 2.1%	Jardim 2.8%	Jardim 2.0%	Jardim 3.9%	Constâncio 1.9%	Adriano 1.4%
8	Adriano 0.7%	Jardim 1.8%	Jardim 0.9%	Amaral 1.5%	Adriano 1.4%	Adriano 1.1%	Adriano 3.4%	Constâncio 1.5%	Cunhal 1.0%
9	Jardim 0.4%	Adriano 0.5%	M. Amaral 0.1%	Martinho 1.0%	M. Amaral 1.3%	Martinho 0.5%	Martinho 2.0%	Adriano 0.9%	Martinho 0.7%
10	M. Amaral 0.2%	Martinho 0.3%	Martinho 0.1%	Adriano 0.4%	Martinho 0.7%	M. Amaral 0.1%	M. Amaral 0.5%	Adriano 0.3%	Jardim 0.6%

The Five Most Talked About



Cavaco Silva



Mário Soares



Ramalho Eanes



Freitas do Amaral



Vitor Constancio

1	Efficient	34.7%	Skillful	29.3%	Honest	21.1%	Intelligent	24.0%	With a future	12.1%
2	Hardworking	30.3%	Likable	22.5%	Sincere	15.7%	Likable	19.3%	Attractive	5.6%
3	With a future	26.0%	Intelligent	17.1%	Attractive	12.0%	Attractive	15.4%	Intelligent	4.8%
4	Sincere	23.6%	With a future	15.9%	Likable	8.6%	Honest	9.8%	Efficient	4.8%
5	Attractive	22.4%	Attractive	12.3%	Intelligent	8.0%	Sincere	7.6%	Honest	3.2%
6	Honest	21.8%	Hardworking	12.1%	With a future	6.9%	With a future	5.8%	Skillful	2.8%
7	Likable	21.8%	Efficient	11.6%	Efficient	6.8%	Skillful	5.3%	Hardworking	2.6%
8	Intelligent	19.8%	Honest	9.6%	Hardworking	6.2%	Efficient	5.2%	Likable	2.1%
9	Skillful	18.5%	Sincere	7.3%	Skillful	6.0%	Hardworking	4.7%	Sincere	1.5%
10	Unlikable	4.0%	Unlikable	4.6%	Unlikable	6.4%	Unlikable	17.1%	Unlikable	4.1%

Monopoly on Ethical Behavior

As far as honesty is concerned, we have said all there is to say: this is a territory monopolized, in the opinion of our contemporaries, by Cavaco (21.8 percent) and Eanes (21.1 percent). Several steps below them, Soares and Freitas are also almost equal (9.6 and 9.8 percent respectively), with Soares appearing very serious to the poor and Freitas looking that way to the rich. This is where Mota Amaral wins his most impressive victory: 3.3 percent of the population confers the title of supremely unspotted one on him, after which he disappears into the bottom lines in the poll. Constancio inspires an unusual amount of reserve: he is regarded as three times less honest than his predecessor Soares. We have already mentioned Martinho's surprising fate (last on the list). Adriano is next to last, thanks in particular to the highest social class's poor opinion of him--reflecting, in this as in other areas, a pathetic clash with his "natural" constituency.

For his part, Freitas impresses with his intellect: this is the only area in which he manages to beat (with 24 percent) the enlightened Cavaco himself (19.8 percent) and to subdue even the underprivileged (who are strangely insensitive to the prime minister's gray matter). Incidentally, those two, along with Soares (17.1 percent), practically exhaust the store of national intelligence, with which Cunhal and Eanes are much less well supplied (at around 8 percent) and of which Constancio appears to be painfully deprived (his genius flickers at 4.8 percent). Least endowed, in the general view, is Martinho, who steadfastly brings up the rear.

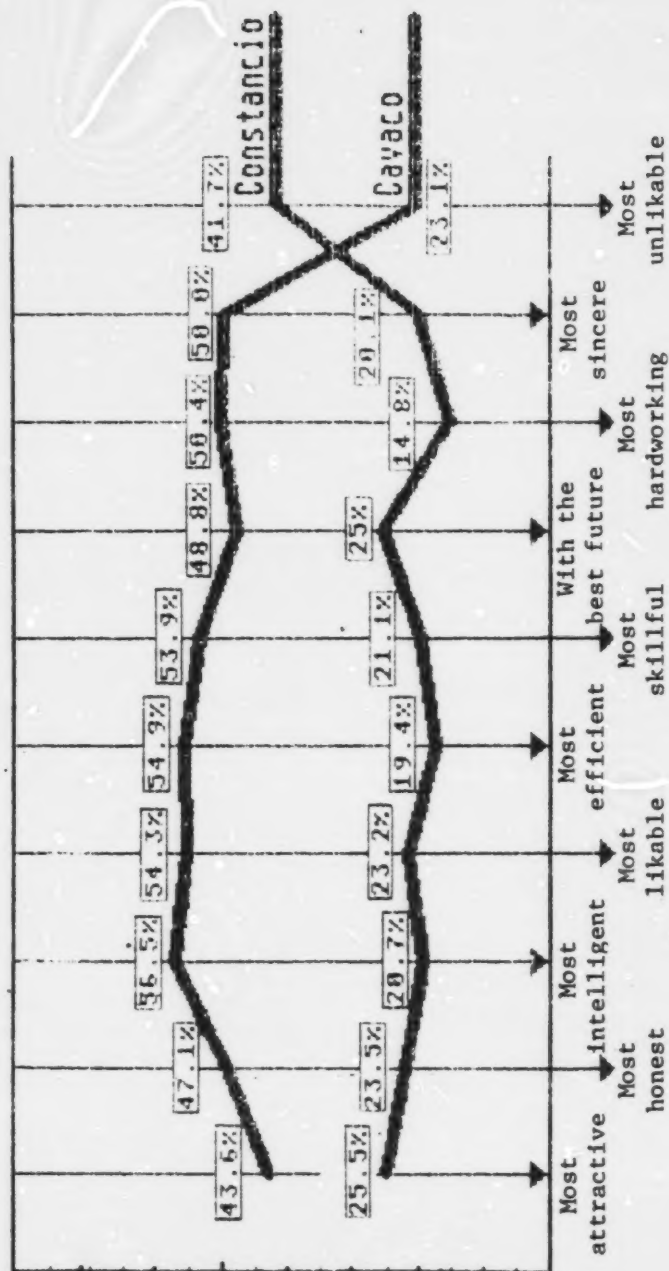
The poll then drops from those cerebral heights to the fluid infinity of likableness and unlikableness. It is not amazing that no one beats good old Soares in this area, which is his specialty: he gets the orange prize for being the most likable at 22.5 percent. It will probably surprise some people to find that despite the conspicuous antipathy displayed by the poor, Cavaco is very close behind him (21.8 percent) in the matter of human contact--or perhaps it won't. Despite the fact that Eanes symbolizes likableness to the stepsons of fortune, his wooden face does not convince more than 8 percent of them as a whole. For his part, the effusive Alberto Joao picks up his most impressive laurels in this area, where he scores 5.5 percent and occupies fifth place, a spot in which we will not see him again. Meanwhile, in the race for the bottom of the list, Adriano triumphs once again as the least likable politician.

But since this world is not colored in black and white, the man picked as most unlikable is Cunhal (36.5 percent), followed at a distance by Freitas (17.1 percent). Considering the peculiarities of human nature, this may help explain the latter's defeat in the presidential election. What cannot be understood is how the smiling Martinho manages to arouse the supreme antipathy of 2 percent.

Soares Skillful, Cavaco Efficient

On the strength of his political skill, Soares once again enters the winner's circle (29.3 percent), thus dethroning Cavaco (18.5 percent) for the second

Cavaco and Constancio: One on One



and last time, although Cavaco is more skillful in the opinion of Coimbra and Viseu. Cunhal (12.9 percent) has also gained a reputation (he frightens Porto in particular), but compared to those three craftsmen, the remaining leaders, including Eanes, Freitas, and Constancio, are viewed as being more or less greenhorns--the only remaining question being whether that is a virtue or a fault. Martinho and Mota Amaral, followed closely by Adriano, share an image of awkwardness.

Oh, sacred efficiency!--who would deny that Cavaco, who prefers actions to words, has it? With 34.7 percent on his side, he leaves few crumbs for the competition. What is comical is to find Soares, who does not read dossiers, in second place (11.6 percent)--although a considerable gap separates him from the agile prime minister. It turns out that Constancio, the great hope, is surpassed by Eanes, Cunhal, and Freitas, who are not so efficient themselves. And again an obstinate public opinion is consigning Martinho to the farthest corners of supreme incompetence.

The pattern repeats itself almost exactly when the question of devotion to work is brought up. When it comes to daily toil, we again find the exemplary

Men's and Women's Opinions				
		Men	Women	
Attractive	Most	Cavaco ...19.4%	Cavaco ...24.8%	
	Least	M. Amaral.....	Adriano.....0%	
Honest	Most	Cavaco ...24.4%	Eanes ...21.8%	
	Least	Adriano ...0.1%	Martinho...0.1%	
Intelligent	Most	Freitas ...29%	Cavaco ...21.8%	
	Least	Martinho	Martinho	
Likable	Most	Soares ...22.7%	Cavaco ...24.6%	
	Least	Adriano ...0.0%	Constancio.0.2%	
Efficient	Most	Cavaco ...40.4%	Cavaco 30%	
	Least	Martinho ...0.6%	Adriano M. Amaral	
Skillful	Most	Soares ...27.3%	Soares ...22.6%	
	Least	Martinho...0.1%	M. Amaral...0%	
Unlikable	Most	Cunhal ...34.7%	Cunhal...38.1%	
	Least	M. Amaral 1.1%	M. Amaral 0.1%	
Hard-working	Most	Cavaco ...25.7%	Cavaco ...25.8%	
	Least	Adriano ...0%	Martinho ...0%	
Sincere	Most	Cavaco ...23.1%	Cavaco ...24.1%	
	Least	Constancio ...0%	Martinho ...0%	
With a future	Most	Cavaco ...27.2%	Cavaco ...24.9%	
	Least	Adriano ...0%	Adriano ...0%	

prime minister in first place (30.3 percent), followed this time by those veteran leaders of the Left, Soares and Cunhal, who are almost neck to neck with 12.1 percent each. Not even the achiever Eanes (6.2 percent) is able to impress our hardworking people to that extent. Then we see the remaining suspected lazybones all lined up, drooping shoulder to drooping shoulder, until we come to the end and find Adriano completely discredited as an active member of the working class.

In the matter of sincerity as of honesty, Cavaco and Eanes (23.6 and 15.7 percent respectively) share almost the entire deck of cards between themselves: right-minded people think alike. Only Vila Real prefers, once again, to place its complete confidence in Soares. He speaks from the heart to minorities similar to those supporting Cunhal and Freitas (between 7 and 9 percent). The misunderstood Constancio does not even achieve that, since only 1.5 percent believe in his sincerity. Despite the customary disdain in which Adriano is held by the upper class, which for whatever reason regards him as the least trustworthy on the list, Martinho again takes firm possession of the last line, thus appearing—he who has tried so hard—as the chief hypocrite.

What about the future? It belongs to Cavaco (26 percent), to Soares (15.9 percent), and to Constancio (12.1 percent)—who at the moment seems to be

From the Socioeconomic Standpoint				
		Upper and upper middle class	Middle class	Lower class
Attractive	Most	Cavaco ... 22.3%	Cavaco ... 22.3%	Cavaco ... 25.9%
	Least	M. Amaral ... —	Adriano ... 0.0%	Various (tied) —
Honest	Most	Cavaco ... 22.7%	Cavaco ... 21.5%	Soares ... 26%
	Least	Adriano ... 0.0%	Martinho ... 0.1% M. Amaral	Various —
Intelligent	Most	Freitas ... 27.7%	Freitas ... 22.1%	Soares ... 28.9%
	Least	Martinho ... —	Martinho ... —	Various —
Likable	Most	Soares ... 38.5%	Cavaco ... 25.1%	Eanes ... 24.1%
	Least	Adriano ... —	Adriano ... —	Various —
Efficient	Most	Cavaco ... 50.8%	Cavaco ... 27.7%	Soares ... 19.4%
	Least	Adriano ... 0.0%	Martinho ... 1%	Various —
Skillful	Most	Soares ... 33.8%	Soares ... 27.2%	Soares ... 28.7%
	Least	Adriano ... 0.0% M. Amaral	M. Amaral 0.1%	Various —
Unlikable	Most	Cunhal ... 40%	Cunhal ... 35.5%	Cavaco ... 21%
	Least	Soares ... 0.1%	M. Amaral 0.3%	Various —
Hard-working	Most	Cavaco ... 33.5%	Cavaco ... 29.1%	Soares ... 24.1%
	Least	Adriano ... 0%	Martinho ... —	Various —
Sincere	Most	Cavaco ... 27.3%	Cavaco ... 21.9%	Cavaco ... 21.8%
	Least	Adriano ... 0%	Martinho ... —	Various —
With a future	Most	Cavaco ... 28.7%	Cavaco ... 24.9%	Cavaco ... 19.9%
	Least	Adriano ... 0% Martinho	Martinho ... 0%	Various —

carrying little else in his baggage. On the question of the nation's standbys—Freitas and Eanes—expectations are uncertain, with timid bets being made by between 6 and 7 percent. Probably as a result of the intensity of his present, it is Jardim, however, who is being abandoned most quickly by that future—0.0 percent see a future for him. Cunhal, who has a good overall image, unquestionably stumbles here. Either because of his age or because of his rigidity, few people foresee a future for him. Adriano is not very well provided for, and Martinho is even worse off. The political survival of any of them would astonish people.

Portraits

The profiles therefore shape up as follows.

Cavaco the giant excels in the basic virtues which families used to demand of prospective sons-in-law: capability, application to honest work, and a future. And he is handsome besides. Despite his charisma, he is held in esteem more for the solid confidence he inspires than for being an overpowering genius. Women and young people like him—a good sign. He reconciles social classes. In flagrant contradiction with that, he is not admired for his results.

Generation Gap			
		18-44	Over 45
Attractive	Most	Cavaco .. 18.6%	Cavaco .. 25.9%
	Least	M. Amaral... —	Adriano ... 0.0%
Honest	Most	Eanes 22.3%	Cavaco .. 22.6%
	Least	Martinho .. 0.1%	Martinho .. 0.4%
Intelligent	Most	Freitas ... 23.9%	Freitas 24%
	Least	Martinho —	Martinho —
Likable	Most	Soares ... 25.7%	Soares ... 19.5%
	Least	Martinho .. 0.4%	Adriano —
Efficient	Most	Cavaco .. 37.5%	Cavaco .. 32.1%
	Least	Adriano 0%	Martinho .. 0.2%
Skillful	Most	Soares 32%	Soares ... 26.7%
	Least	M. Amaral .. 0%	Martinho —
Unlikable	Most	Cunhal... 38.1%	Cunhal 35%
	Least	M. Amaral 0.1%	Martinho .. 0.1%
Hardworking	Most	Cavaco .. 29.1%	Cavaco .. 31.4%
	Least	Adriano .. 0.1%	Adriano 0%
Sincere	Most	Cavaco .. 21%	Cavaco ... 26%
	Least	Martinho .. 0.2%	Martinho .. 0.4%
With a future	Most	Cavaco .. 26.4%	Cavaco .. 22.7%
	Least	Adriano .. 0.1%	Adriano —

Soares belongs to another world--perhaps, to be precise, that of disquieting suitors whom daughters cannot resist. In him, not surprisingly, there shine the talents of seduction: he is a skillful, likable, and intelligent person. And because of that, he also has a future. Thanks to his levelheaded conduct as president, it seems that he is beginning to be taken more seriously, with the people discovering in him virtues of efficiency and work that add further polish to his brilliance. Little by little he is wearing down the ire of Lisbon and women. Most appreciated by the poor, he is starting to benefit from a consensus of favorable opinion. He shows promise of lasting.

Freitas the brain: no one objects to him, but brains are not enough. Although he is likable and attractive, like a well-decorated palace, people do not see him as a man who does things--as the skillful type capable of achieving a (political) goal, or even as a man sincerely devoted to an idea. And he is marked by his class origins.

Eanes is more clearly than ever a poor copy of Cavaco--with the same down-to-earth excellence of a good honest fellow, but without the know-how, the intelligence, or even the capacity for work that the other fellow has. Despite the supportive efforts of his wife, women are not attracted by his upstanding profile.

Lastly, there is Constancio, not as well thought of as Cunhal but with the aforesaid future to his credit. A lot of good that will do him now, seeing that with Constancio having been chosen by the PS to confront Cavaco on common ground, that is precisely where he is being crushed most clearly by Cavaco: in intelligence and effectiveness. It is obvious that the new Socialist leader is still suffering from the fact that to some extent he is unknown (or perhaps he is being given the benefit of the doubt--when faced with a choice between Cavaco and Constancio, many of those polled avoided stating an opinion), so little can be done about those areas where the head of the government is already ahead of the opposition by an absolute majority. To top it all off, Portuguese consider Cavaco more honest and more handsome. That last-named area of supremacy is no doubt secondary, but there is also no doubt that it is even more incurable. In making its choice, the PS seems to have succumbed to a simplistic solution that will have disastrous consequences.

Technical Data--Universe: residents over 18 years of age in Lisbon, Porto, Coimbra, Evora, Vila Real, and Viseu. Sample: 599 individuals. Sampling: random, using the random route method to select homes and the Kish method to select the individual within each home. Results were weighted by city, sex, age, and socioeconomic class. Fieldwork: interviews conducted between 5 and 8 August 1986. Margin of error: 4 percent for all six cities and for a confidence level of 95 percent for p + 50%. Responsible institute: NORMA, Inc., the Portuguese member of Gallup International.

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POLITICAL

PORTUGAL

EANES DIFFICULTIES SEEN SELF-INFLICTED

Lisbon SEMANARIO in Portuguese 30 Aug 86 p 6

[Article by Marcelo Rebelo de Sousa]

[Text] Understandable Anxieties

There are those who do not understand the anxieties, doubts, and hesitations which are naturally going to assail citizen Antonio Ramalho Eanes (whether he acknowledges them or conceals them) at the moment when he has to assume leadership of the PRD [Democratic Renewal Party].

There are those who think that leaders do not vacillate, waver, or wait and are not afraid.

There are those who support the idea that to be real, leadership should assert itself with no need for preparation, protective shields, or prolonged mental conditioning.

For our part, we understand perfectly the anxieties of the PRD's new leader. They are the anxieties of someone who launched a party based in Belem Palace and who is now going to have to lead it from Madre de Deus.

When the PRD was established, we immediately drew attention to the fact that it was a monumental error for a party with no program, ideology, or members to move ahead under a unifying sponsor who was president of the republic—but a president with only 3 months remaining of a nonrenewable term. He was the party's reason for existence. It was his wife who imparted the good news, represented the remote leader, and expressed the attraction of power.

And 18 percent voted for the PRD—as a protest, but also out of hope in the power that the president of the republic was.

The only problem was that as luck would have it, the president stopped being a power just when his party most needed him in that position.

The PRD's leader became citizen Antonio Ramalho Eanes, without the enchantment of the position he had held, without the patriarchal image inherent in the

office he had exercised, and without the organic charisma of the term he was serving.

That was worse than forming a party straight off under citizen Eanes just as he is--without the presidential covering, shell, and protection. Because it meant a shift from President Eanes to citizen Eanes, whereas it was for the former that 18 percent had voted. That is not apparent to many people even today. But it will be within a few months.

From 50 Percent to 18 Percent (or Even Less)

There is also the fact that for the leader himself now, it is necessarily unflattering to go from being a president elected by over 50 percent of the Portuguese to being the personification of 18 percent--or even less, if we are to believe the polls showing that the PRD, an aimless party, is fading away.

It is one thing to be way off somewhere in an ivory tower--sibylline, impressive when silent, and with the trappings of state and its sovereign posture. It is a totally different thing to be the third-ranking national party leader, behind Cavaco Silva and Vitor Constancio, and to enter the polemical fray as the symbol of a small party which makes up its mind on a case-by-case basis and which so far has no overall political logic at all.

At Belem Palace, the Eanes enigma compensated for the Eanes disaster--and disaster occurred almost every time the president had to open his mouth and expose himself excessively.

In Madre de Deus, where there is no enigma, how will it be possible to live without permanent disaster?

The easiest solution is to create a protected leader living in a glass jar and protected from himself and from his excesses.

Eanes would be (and will be) the supreme, mysterious, and inaccessible leader. Herminio Martinho would be (and will be) the visible leader--the one who exposes himself, wears himself out, and is consumed.

The former gets the aura of intangibility. The latter gets the dirty business of political negotiation, ticklish affairs, and obstacles.

That is a solution worthy of the man that we all know.

Back then, while still in Belem Palace, did he not guarantee his presidential impartiality by sending his wife to speak at political rallies and on television?

Back then, while still in Belem Palace, did he ever have the courage of a De Gaulle and take charge as partisan leader without needing protective cushions?

And things have not changed, except that the one protecting him is no longer his wife but Herminio Martinho.

We already knew the leader through the intermediary of his wife. Now we will begin to know the leader under the guardianship of his deputy leader.

Just as guardianship is the recourse provided in private law for an incompetent individual who needs protection, so, in the political area, are we going to have someone who wants to be a leader but needs protection, or guardianship. And stepping forward to fill that need is the good-hearted and understanding Herminio Martinho.

To Be or not To Be

The problem is that those precarious solutions are always illusory. It was an illusion to establish the president's party in the belief that the time would not come when the leader would be only a citizen.

It was an illusion to establish the PRD with a leader represented through an intermediary in the belief that a minimum commitment by that leader could be postponed indefinitely.

It is an illusion to think that citizen Eanes can have his cake and eat it too, that he can be the republic's standby for 1991 or 1996 and simultaneously be the leader of 18 percent or even considerably fewer of Portugal's voters, and that he can enjoy the advantages of party leadership without paying the price.

Cavaco Silva is leader of the PSD [Social Democratic Party]; he fought to become leader, and just as he benefits from that office, so he also bears the burden.

Constancio is leader of the PS [Socialist Party] for better and for worse.

Cunhal is leader of the PCP in good times and bad.

Citizen Eanes seems to want to be leader in happy times and to leave the leadership to Herminio Martinho in times of trial. He is the former president for the purposes of Laranjeiras Palace and party leader for the purposes of domination on Fala-So Lane.

Events will wreck that formula very quickly, just as they have demonstrated the precarious nature of leadership from a distance over the past 9 months.

No matter how great the devotion to the hidden leader, it will have its limits at critical moments when he will either expose himself or be morally defeated.

No matter how pure the loyalty of his oracle, that loyalty will not be enough to ensure an effective and quick response when urgent problems need to be solved with the leader's personal presence.

No matter how well arranged the mechanism of guardianship is, it will not prevent third parties from debunking it in due time by calling things by their real names and calling on people to assume their inherent responsibilities.

Not De Gaulle, but What Is He?

In addition to everything already said, one final question occurs to us: in which country in the Europe we have joined can one imagine a leader like the one who was and who will be even more completely in the PRD?

Some well-meaning people will say: look at De Gaulle and the party he established with the Elysee Palace as his base.

But if there is one fact that has become a final verdict among us, it is that General Eanes is anything but a General De Gaulle.

For many decades before entering the Elysee Palace, Gen De Gaulle already existed politically as the embodiment of the French Resistance. Gen Eanes felt that he had turned into a politician in Belem Palace.

De Gaulle acted on men and events. Gen Eanes hesitated when he was in a position to take direct action, and when he did act, it was because he had to.

De Gaulle was a leader who took charge. Gen Eanes likes to be a leader through intermediaries.

Even when out of office, De Gaulle was a compulsory point of reference in national politics. Gen Eanes would like for his visits to the PRD's rank and file to have national reverberations, but in some cases the reverberations have not even been local. And the polls mention his serious image--they do not present him as the great symbol of democratic Portugal.

As a matter of fact, it is no disgrace for anyone not to have the caliber of an exceptional statesman.

If every president of the republic we have had had been an exceptional statesman, we would have gone through four living geniuses already.

Since he is not De Gaulle, what kind of leader is this leader of the PRD?

He does not have his base in unions, cooperatives, or rank-and-file movements, as many Socialist, Social Democratic, and Communist leaders do.

He is not a man seasoned by a complex career in party and politics, as is true of most of the liberal, conservative, and Christian Democratic leaders.

He is not a politician who has been tested in actual and specific government at the national, regional, or local level, as various populist leaders are.

His crucial triumph was called Belem Palace, and it lay in the fact that he was president of the republic. And the PRD arose out of that same fact.

It will be said that the PS and especially the PSD and the CDS [Social Democratic Center Party] are what they are because they, too, were born in some manner from the transitory political power that existed in 1974 and 1975.

The difference, however, is this: the PS was established around Soares, who had already existed politically before it happened. He had a past and his own way of thinking and was headed in a certain direction. The PSD (then called the PPD [Popular Democratic Party]) arose around Sa Carneiro, who had a past, his own way of thinking, and a message. The CDS appeared around Freitas do Amaral, who had already headed a group for years and who was actively present politically in the media and even in university circles.

The PRD describes itself as the party of President Eanes, and so far it is still waiting for a programmatic statement, ideological guidance, and a word of command from its mentor.

Smell of the Past

In that leadership, there is something having little affinity with Europe, its democracies, and its parties.

In that leadership, there is something of the predemocratic caudillo system--more a remembrance of the past than a promise of the future.

Not because the leader is a general. Not because citizen Eanes wants to be a leader and not to be one at the same time. But because of the meaningless effacement which forces a leftist like Jose Carlos de Vasconcelos, for example, to remain mum and accept the linking of the PRD with the Gaullists in the European Parliament because there is no alternative and perhaps--who knows?--to see whether the charismatic dimension can be caught by close contact.

In any case, citizen Eanes deserves our good wishes as he now steps into the leadership.

It is tragic to go from being a symbol for over 50 percent to being the leader of less than 18 percent of the Portuguese.

It is tragic to have to do so hidden behind Herminio Martinho's protective hand.

It is tragic to be the third-ranking party leader, behind Cavaco Silva and Constancio.

It is tragic to be neither the government leader nor the opposition leader.

It is tragic to be the head of a party which decides things on a case-by-case basis according to the temperature of the day, the price of the yen, the good graces of the leader involved, and the ease of telephone communication with Laranjeiras Palace.

It is tragic to begin an active political career at the age of 50 when one is up against people like Cavaco Silva, who is a marvel of youth, and Constancio, who radiates energy.

It is tragic to have to head a party whose voters are on the left while being called upon imploringly to support a government to his right and while being aligned with the French populist and radical Right in Europe.

Let us hope that a challenge of this size will not discourage the PRD's new leader.

May he accept it with bravery and courage.

Without discouragements that even a strong soul could not bear. And without the naiveness that an enlightened mind could not tolerate.

Is it a difficult, burdensome, and troublesome job even so?

Well, who ordered the then President Ramalho Eanes to allow the illusion to be created in the minds of a few party dissidents hanging around Belem that he was a party leader?

Who ordered him to let the presidential photograph be used by the PRD in the same way that Carlos Cruz' picture is promoting (in this case effectively) a growing separate group?

Who ordered him to divert his wife from urgent (and praiseworthy) community projects and send her out to engage in political proselytizing by capturing the hearts of the anxious, proclaiming the unchallengeable truth, and promising paradise around the next corner of history?

Who ordered him to sow the wind 3 months before losing the protection provided by his office, which infallibly protected him from the whirlwind?

11798
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POLITICAL

TURKEY

NEW ANKARA STANCE ON CYPRUS, AEGEAN EXAMINED

Istanbul MILLIYET in Turkish 4 Jul 86 p 9

[Artical by M. Ali Birand: "An Important Change in Ankara in Connection with the Aegean and Cyprus...."]

[Text] Ankara — The Aegean situation is heating up.... Not only has there been a failure to reconcile opposing views since 1974, but friction is actually increasing.

Who is in fact responsible for this situation?

Turkey says it is Greece.... And Greece says it is us.

Leaving aside who is right and who is not, and looking instead at how developments are being evaluated in Ankara, we cannot but notice an important change in the approach to the problem in recent months.... A new outlook has begun to take shape in certain centers which hold the decisionmaking machinery in their hands....

This is the way things look from Ankara:

Greece, as a consequence of a national policy it regards as just, is constantly squeezing Turkey in the Aegean. In other words, it is doing all it can not to share the Aegean with Turkey.

- The situation concerning the continental shelf is clear. Athens is not prepared even to negotiate.

- It is not prepared to cede to Turkey a share even in the command responsibility regions within the military framework.

- Its approach to the (FIR) Aegean airspace issue is no different.

- Finally, it has also begun taking definite steps in recent months to restrict Turkish military exercises in international waters and airspace over the Aegean.

The only thing Turkey can do to counter all this is to take recourse to international organs, to seek redress or to reject Greece's claims and by so doing to ensure that Greece is also hampered in making proper use of the Aegean.

And that is exactly what Turkey is doing.

Nevertheless, more important than all this is the possibility that Turkey may one day face a Greek fait accompli; that is, the possibility that Greece may extend its territorial waters to 12 miles in the Aegean.... Athens may adopt such a decision at a time and in an international situation wherein Ankara may not be in a position to resort to a military response in the Aegean....

Furthermore, the situation in the Aegean is becoming more tense.... Athens is constantly harping on the "Turkish threat" in the Aegean at international forums, and it is also taking the necessary military measures.... The Turkish-Greek balance in the Aegean is not unconditionally in Turkey's favor. There are certain risks.... What trump cards does Turkey hold against a 12-mile fait accompli and generally against the Greek pressure in the Aegean?

An interesting difference has begun emerging in the current response, as compared with previous ones, to this question by certain centers in Ankara:

"The Turkish units in Cyprus are becoming for us the most important guarantee against a Greek fait accompli in the Aegean. This was not our view until a few years ago. Now, however, the view that our forces in Cyprus constitute one of the most important cards we hold in a possible 12-mile development or a Turkish-Greek showdown is steadily gaining strength as Greece maintains the pressure in the Aegean.... In particular, the dilatory tactics it is practicing in the Cyprus problem in the hope of keeping us under pressure and its rejection of even the simplest dialogue on the Aegean issue have strengthened our view that it is preparing itself for a day of reckoning with Turkey one way or another, and so we have begun a review of our position.... Let no one ask us to withdraw troops from Cyprus any longer.... The Greeks have put Cyprus in the position of a hostage for the Aegean...."

This change in evaluation signals the beginning of a very fundamental change in Ankara's view of the Turkish-Greek-Cypriot triangle.

What this means, in plain language, is precisely the following:

"If Greece adopts a 12-mile decision or if it intensifies the pressure in the Aegean and stirs up an atmosphere of acrimony with Turkey, then the strategic deterrent factor at Ankara's disposal will not be confined to the Aegean islands or Thrace. It should know that in the event of a clash, the whole of Cyprus will go, too.

Until now, Greece has proposed the withdrawal of the Turkish troops from Cyprus as the sole condition for dialogue for settling the Aegean or Turkish-Greek problems in general....

Now, Turkey is switching the game around, and it says: "If you are hoping for a settlement in Cyprus, first settle the Aegean or the general issue of Turkish-Greek relations...."

The dimensions of the issue involving relations between Turkey and Greece are steadily increasing. What a pity that very little attention is being paid to these dangers except in a few limited circles in the world.... The truth is that this change in thinking in Ankara signals an increase in dark clouds..."

13184/12851

CSO: 3554/143

POLITICAL

TURKEY

BRIEFS

CALL FOR SANCTIONS AGAINST BULGARIA--Ankara (TERCUMAN)--Kemal Baytas, chairman of the Turkish Publicity Trust, has said that Turkey should cease conducting its Ro-Ro transportation business through Bulgaria. He said: "New sanctions against Bulgarian TIR trucks will bring Bulgaria to its senses." Baytas recalled in a statement yesterday that all countries, with the exception of those behind the Iron Curtain, have deplored the inhuman treatment of our kinsmen in Bulgaria, saying: "Maintaining good-neighborly relations with Bulgaria is rather more to Bulgaria's advantage than ours." He pointed out that Turkish workers travelling home in transit through Bulgaria spend \$150 million in that country every year, adding: "The time has come to sever the connections that are like Bulgaria's lifeline. We could establish a new route for our workers abroad by engaging in Ro-Ro and container transportation. Our patriotic workers will all opt for this route. [Text] [Istanbul TERCUMAN in Turkish 22 Jul 86 p 12] 13184/12851

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SOCIAL

TURKEY

DETENTION OF ISLAMIC FUNDAMENTALIST REPORTED

Istanbul HURRIYET in Turkish 4 Jul 86 pp 1, 17

[Text] Adnan Oktar, widely known as Adnan Hoca, has been arrested and sent to prison by a State Security Court [SSC] on grounds of "engaging in propaganda for theocratic rule, thus weakening the national sentiment," in an interview given to BULVAR. The issue of the newspaper containing the interview was removed from circulation by the authorities.

Looking perplexed as he left the courtroom after examining magistrate Fikret Uluc had ordered his detention, Adnan Hoca said: "I had no thought of propagandizing theocracy when I spoke."

Adnan Hoca, who was investigated in connection with his statement that "I belong to the Turkish people and to the Islamic nation," a statement quoted in a BULVAR feature article entitled "Adnan Hoca and his disciples engaged in a debate with young people.... Why we believe in Adnan Hoca," was brought into the Istanbul State Security Court yesterday afternoon. Adnan Hoca, who was accompanied by police officers from the Security Department, was questioned for nearly a half hour by investigating magistrate Fikret Uluc. After the questioning, magistrate Fikret Uluc ordered that Adnan Hoca be held in custody for "engaging in propaganda for theocratic rule, thus weakening the national sentiment." Adnan Oktar reacted with astonishment at the detention order and said on leaving the courtroom that he had no thought of committing the offenses ascribed to him. Following the order, Adnan Hoca was taken to the Sagmalcilar penal institution.

The 30 June 1986 issue of BULVAR, which carried Adnan Hoca's interview, was removed from circulation by the authorities. As a consequence of the interview, the author of the series, Nazli Ilıcak, and the paper's editor, Akin Kamacioglu, have been questioned by the police.

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24 October 1986

SOCIAL

TURKEY

FAMILY REUNIFICATION URGED FOR BULGARIAN TURKS

Istanbul TERCUMAN in Turkish 13 Jul 86 p 9

[Text] Ankara (TERCUMAN)--Barlas Dogu, a Motherland Party [MP] deputy from Ankara and the chairman of the Turkish group of the Interparliamentary Union, has sent a telegram to Peter Voudov, chairman of the Bulgarian Interparliamentary Union, asking "for an end to the drama of Aysel and her family." Dogu stated that he will disseminate the TERCUMAN initiative, which started the "Freedom for Aysel" campaign, throughout the world. He said: "While the Aysel incident may seem like the private problem of one family, it is in fact of great importance from the viewpoint of human rights."

Yesterday Barlas Dogu held a press conference jointly with Murat Sokmenoglu, a deputy from the Right Way Party and a member of the Turkish interparliamentary group, and announced that every move necessary will be made in support of Aysel, who has been held "hostage" by the Bulgarians for more than 7 years. Dogu said at the press conference that the "Freedom for Aysel" campaign was initiated by TERCUMAN, and it is their task to make the spark so produced burst into flame. Dogu recalled that he recently attended a session of the Conference on Security and Cooperation in Europe [CSCE] held in Bonn where agreement was reached by 35 countries, including Bulgaria, on the "unification of divided families."

Dogu said that during the meeting in Bonn he was invited by Bulgarian fellow-parliamentarian Voudov to attend a meeting to be held in Bulgaria in the autumn. He stated: "I, in turn, told my Bulgarian counterpart that if we go to his country we will bring up certain problems, and that wherever we meet we will make the problems of our kinsmen in Bulgaria the focus of attention. In addition, I stated that we would have Turkish journalists go with us to such a meeting. Voudov's reaction to the question of journalists was not so favorable, but he asked us to bring a list concerning the unification of divided families. What a coincidence that Aysel's drama has come up now, hard on the heels of this development! Now we want our Bulgarian counterpart to keep his word."

Dogu, as chairman of the Turkish group of the IPU, has sent a telegram to his Bulgarian counterpart, Voudov, asking for an end to Aysel's drama. This is what Dogu said in his telegram:

"The Ozgur family, which moved to Turkey in 1978, has been fasting to the death for the past 10 years in support of their demand to be reunified with their daughter Aysel. I refer the matter to you in order to help end the drama of this family, which is desperately struggling to have their daughter -- whom they have not seen for the past 7 years and of whose fate they are unaware -- with them again.

You will recall that one of the unanimously adopted decisions at the CSCE meeting was that of ensuring support for divided families by deputies and their governments.

You also promised that if I were to provide you with a list of families of Turkish extraction, you would give all possible help in your power. Do let us, by joint efforts, help the Ozgur family -- a sad example of the treatment meted out to divided families between Bulgaria and Turkey -- and end Aysel's drama."

Barlas Dogu said that he had sent a copy of his telegram to Voudov to the IPU chairman and he added that if no results could be obtained in the near future, he would raise the matter of Aysel's drama at the third session of the Solidarity Organization of Muslim Parliamentarians to be held in Senegal in the autumn. Dogu said: "We shall let the whole world hear all about Aysel's drama. Bulgarian practices have become a massacre of human rights. The state of the Ozgur family is a melancholy picture of a father and a mother dying inch by inch for the freedom of their children. There can be no family unit anywhere in the world whose conscience would not suffer sharply at the sight of this situation."

(Boxed material: Armaoglu--"The Government Is Not Energetic on Behalf of Aysel" Ankara (TERCUMAN)--The Free Democratic Party [FDP] has accused the government of "not being sufficiently energetic" in regard to the oppression of our kinsmen in Bulgaria and the "Aysel issue." At a press conference yesterday deputy leader of the FDP Fahir Armaoglu said that "a great tragedy is taking place right before the eyes of the whole world, and mankind remains indifferent to this tragedy."

Armaoglu stated: "The only reason for the lack of support for this national problem of ours at the international level is the passive policy pursued by our government. This administration raises its voice when the issue flares up in public opinion, but it remains silent when public opinion is quiet or when there are no new incidents involving our kinsmen."

Fahir Armaoglu noted that the Bulgarian Government is not permitting Aysel Ozgur to join her family in Turkey and is turning a deaf ear to these cries in a totally inhuman manner. He stated: "This attitude of the Bulgarian Government is shameful even for communism, because the face of communism as shown in Bulgaria is one of a regime of savagery."

Furthermore, Armaoglu noted, there is also a total lack of information as to what is now happening to the more than 1 million of our kinsmen in Bulgaria. He added: "How sad it is that the Western world -- which so assertively poses as the champion of freedom and human rights -- stands by as a mere spectator to this tragedy. We are looking for the kind of state that would send its air and naval forces into action because one of its citizens was killed on the 'Achille Lauro' and even hijack an airliner in its efforts to catch the terrorists. Nor do we see any sign of the kind of state that -- because a few of its citizens were killed in the Rome and Vienna airports -- would bomb the territory of a state it accused of supporting terrorism and would even come to the brink of declaring war on it."

The deputy leader of the FDP said that there is no evidence that the government has adopted an extensive, planned and programmed policy concerning our kinsmen in Bulgaria, and that this lack of a competent and energetic policy and effort by the government has caused the indifference of our friends and allies to the fate of the Turkish national existence in Bulgaria. Armaoglu declared: "The government has at its disposal a number of funds with no indication as to what they will be used for and how. An important part of these funds should be spent on telling the world all about the case of the genocide of our kinsmen." [end boxed materiel]

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ECONOMIC

AUSTRIA

TRADE UNION FEDERATION MULLS STRATEGY, NEXT PRESIDENT

Vienna PROFIL in German 28 Jul 86 pp 21-24

[Article by Josef Votzi: "The Long March of Alfred D."]

[Text] A growing number of leading trade union officials sees Alfred Dallinger moving inexorably to the top of the Austrian Trade Union Federation (OeGB). Whether he will actually make it will be determined in the fall.

For weeks now, Franz Josef Weissenboeck, spokesman for the minister for social administration, has been delivering one rebuff after another. "No, the minister does not want to comment on that at the moment. I am sorry, it is nothing personal. At present, that is his attitude toward all members of the press."

Alfred Dallinger knows when it is time to say something and when he is better off maintaining a monastic silence. Only one entirely predictable questioner from the Austrian Socialist Party (SPOe) organ KAERNTNER TAGESZEITUNG was allowed to approach him at his vacation domicile on the Woerther See last week.

The obligatory final round in the familiar question-and-answer game among party friends: "What will be the name of the OeGB president in the fall of next year?" Dallinger: "Well, that's the big question."

Not until a few weeks ago did the big wigs of the OeGB get together to decide who should succeed Benya. At that time Dallinger's opponents spread the word that the race had already been run, with Adolf Czettel, the president of the Chamber of Labor and close confidant of Benya, having been unequivocally nominated heir apparent by the leaders.

In fact, the leading SPOe officials disbanded without any decision. "Czettel ain't in yet by a long shot," says a workers' trade unionist and OeGB deputy president. "Particularly among us in the unions, where, if anything, Dallinger has long been viewed skeptically, he has gained a lot of respect and credibility."

Within the Trade Union Federation, the scheduled election of a president at the next OeGB congress in the fall of 1987 has clearly been narrowed down to a choice between Czettel and Dallinger. Benya's right-hand man, OeGB Executive Secretary Fritz Verzetnitsch, is no longer considered qualified for the leading office.

"The young fellow," as the OeGB seniors are wont to call Verzetnitsch, who after all is 40 years old, is "very clever and talented," everyone says, "but simply is still too young."

What is needed is a transition president for one or two terms--in other words, for 4-8 years. "I would like to see an older man," says textile union chief Harald Ettl, who like Verzetnitsch belongs to the middle trade union generation, "so that the younger ones can develop even better."

Candidate Adolf Czettel will turn 62 this October, and a month later candidate Alfred Dallinger will be 60 years old.

If the mood that can be detected among many of the 15 individual unions persists, Alfred Dallinger will win the race for the succession by the requisite nose. Particularly since metalworkers union man Adolf Czettel issued a clear no at a session of Socialist OeGB deputies and since that time has repeatedly told friends that he does not want the job.

When the head of the Chamber of Labor, who is also president of the Main Association of Social Security Carriers, recently assumed supreme command over the pension and health insurance offices, as well, quite a few comrades thought this was another sign that he did not want to succeed Benya.

"Czettel certainly pointed in that direction when he went over to the Main Association," says construction union man Josef Hesoun, "but just the same that does not mean he is no longer a potential candidate."

"No one can stop Dallinger any more," says metalworkers union man and SPOe deputy Franz Koeck. "Various resentments against him have disappeared because he has shown class--as someone with an eye to the future who also supports unpopular things."

"Dallinger is someone who has strongly come to the fore, particularly among young people," says the OeGB training director, Styrian deputy Rupert Gmoser.

The same kind of opinion is being expressed as well among those very close to the OeGB vice president--though, as may be expected in a situation like this, only anonymously.

Alfred Dallinger is on the way to the top of the OeGB--the climax of a long march.

The head of private industry employees is in the process of reaping the fruits among union people of his campaign of many years to shorten the workweek.

"That route was not very popular among workers in the beginning," says Franz Koeck of the metalworkers union, "and Dallinger knew that, but he continued to pursue his line nevertheless, and now many people realize that it has had positive results."

"We too now view a shorter workweek differently," confirms Josef Hesoun of the construction workers union. "Dallinger's line is now receiving full recognition."

In the to-and fro of the many small individual interests in everyday trade union life, the joint march toward a 35-hour week has gradually become an idea with wide support.

By next spring not quite half a million Austrians will be working fewer than 40 hours a week:

--It began when sugar industry workers embarked on a 38-hour week last fall. They were followed by the printing workers, mill workers, and the fat and petroleum industry--about 40,000 workers in all.

--This fall newspaper and insurance employees will start working a 38.5-hour week, and they will be joined at the beginning of November by the 315,000 workers and employees of the metal industry--the biggest contingent so far.

--A cut in the regular workweek has already been agreed for the chemical and paper industry, whose workers will start a 38-hour week in the spring of 1987.

--The 370,000 commerce employees are expected to include a request for a shorter workweek in the items to be negotiated in wage talks this fall. Relevant internal agreements already exist in the savings banks and in the textile industry.

Alfred Dallinger is clearly no longer alone by any means as he travels across the country preaching that "the 35-hour week will become a reality by the end of this decade." OeGB soothsayers are making careful note of the fact that veteran leader Anton Benya in this year's address on the occasion of the SPOe May parade for the first time came out clearly for a shorter workweek.

While Benya is slowly catching up, his union colleagues are pulling further ahead. At the OeGB congress 3 years ago, the trade unionists began by deciding on a branch-by-branch strategy via the various collective agreements. As the head of the construction workers, Josef Hesoun, explains: "This compromise to shorten the workweek in that way is being viewed differently now. It was all right for a start, but cannot be a model for the future."

An increasing number of people are working to secure an unequivocal change of course at the coming OeGB congress. The next stages on the way to a 35-hour week are to be agreed in so-called general collective agreements.

OeGB expert Hesoun opines: "Conceivably this change in strategy will gain the support of a majority at the congress. Such a general collective agreement that is binding on everyone is sure to be a hot subject of negotiation between labor and management."

Dallinger and company do not believe that the small steps now being taken in some branches will have a telling effect on employment. Many collective agreements have set up a 3-month period by the end of which the workweek must actually be shortened. In terms of a 3-month average, the workweek is to be no longer than 38 or 38.5 hours.

Dallinger partner Hesoun says: "If that means in practice that you'll pay me overtime for anything over 38 hours, I don't know whether that can be the meaning and purpose."

Dallinger is already putting management on its guard. "We can see a general collective agreement or a settlement by law," says a Dallinger confidant.

However, Dallinger, the nemesis of management--as has also been noted carefully within the OeGB--is no longer quite what he used to be. The OeGB codetermination plans comprising 29 points were negotiated by the minister for social administration with management without any fanfare and then submitted to Parliament for approval by all-party consensus.

Not until the Austrian People's Party (OeVP) Economic Association boasted ex post facto that "the enterprise incapacitation law is dead" did Dallinger once again bare his fangs a little. He let it be known that there would be "no deviation from the original demands" and that it was his purpose to "realize them as soon as possible under possibly new political circumstances."

Even among the OeVP opposition, a number of people have discovered Dallinger to be a consensus man with whom one can reach an agreement. "In the beginning," says OeVP deputy Lichal, head of the Christian trade union deputies, it was thought that he would eat up everyone whole and that he was the very devil in many areas, but he has now caught up a lot in management-labor relations and is gaining prestige as a consensus politician."

A change in direction or by reprochement can, however, be detected on both sides. Three years ago, when Benya's deputy pondered aloud at the OeGB congress about new financing patterns for the social grid ("value-added tax") the opposition beat him over the head with the slogan of "machine tax." For the past year and a half, however, a committee at the Ministry of Social Administration, including representatives of management and labor, has been pondering the practical implementation of that originally disparaged proposal. Within a year, such a financing pattern will be a reality.

OeVP workers' spokesman Walter Heinzinger does not want to see the value-added tax "defamed as a machine tax any longer." Over the long term Dallinger was right to intervene where expensive people are being replaced by inexpensive machines, says Heinzinger, adding, "I can get money only where it is being created additionally--in the creation of values."

As yet, the bogeyman of the media has not become the most popular guest in Austrians' living rooms. "I am not guided by a positive or negative image people ascribe to me," says Dallinger about himself. "My philosophy is that we must not see things statically, and since Austrians tend toward the static and are fond of applying a brake to problems that cannot be solved, I simply am often at variance with the Austrian mentality. And that often requires very strong nerves."

Even at his advanced age, Dallinger is stimulated by mordant newspaper comments, contradiction, and opposition. "Did I do something wrong?" he sometimes says grinning when, contrary to his expectation, economic journalists leave him alone for a while.

"If anything, his fighting spirit has increased," says someone who has followed in his tracks for years. "However, he has never been the boor he has often been portrayed. Dallinger has always been a man of realpolitik, though one with solid principles."

Anton Benya is spreading the word in the OeGB that a great deal of what is being written into basic programs is no more than "standing provisions" [stehsaetze] in the ordinary sense of the term. "They stand in an action program and keep standing there."

They also say about Dallinger that while he has always worked for a consensus with the Christian trade union, he has often fought very long about a joint formulation of set aims.

"As minister of social administration," says a trade union expert, "he has always had to prove that he also represents workers' interests and not only the employees." The crucial test for Dallinger, as well as for all other candidates for the leading position, he says, will come in the fall when reform plans for United Austrian Iron and Steel Works (VOeST) will be up for consideration.

Employee trade unionist Dallinger has repeatedly visited the crisis areas in Styria and is also on good terms with such gruff works councilors as Adolf Fauland (Donawitz VOeST works) and Alois Rechberger (VEW-Kapfenberg).

According to one workers trade unionist, "the decisions at VOeST and actions by the functionaries are going to yield quite a number of things that cannot be divined as yet, and a great deal will then be seen in a different light."

According to the wishes of most leading union officials, the leadership question is to be decided within the OeGB in the fall, the idea being that Benya's successor has to have enough time to set the tone for the congress the way he sees fit.

The choice between Czettel and Dallinger will also be a vote about the future political course. Czettel stands for a deliberate and inconspicuous continuation of the Benya line. When he was chancellor, Fred Sinowatz invariably included the head of the Chamber of Labor in all routine decisions.

Czettel was late jumping on the shorter workweek bandwagon. Returning from a trip to Japan 5 years ago, he caused a certain sensation and some opposition with his summary statement that "all industrialized countries will have to work harder."

Speaking elsewhere at about the same time, Czettel warned that "Dallinger, too, will still have to undergo a maturing process, because it would surely be awful for someone to become a minister and then be able to do whatever he wants."

Both internally and externally, neither candidate has failed to pay the other back in his own coin. When Czettel publicly states that it was improper for

Dallinger to be both the OeGB leader and a member of the government, Dallinger countered that he could not comment about that because he did not know in which capacity the metalworkers union man and president of the Chamber of Labor and the Main Association had made his statement.

Sepp Wille, metalworkers union chairman and leader of the SPOe parliamentary faction, proving once again to be an independent thinker, says: "If the deliberations show that there is no solution that is really convincing for everyone, it will come to a point where the congress simply will be offered alternatives between individuals. If two or three candidates are in sight, it will not do the OeGB any public harm to come up with a majority vote for one of them."

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ECONOMIC

GREECE

IMPROVEMENT SEEN IN BALANCE ON CURRENT ACCOUNTS

Athens I KATHIMERINI in Greek 9 Sep 86 p 7

[Text] Even though imports continued to rise in July, the balance on current accounts--favored by the fall in oil prices and increase in receipts from the EEC, exports and tourism--showed a surplus of 157 million dollars, whereas in the same month last year it had a deficit of 132 million dollars. This new improvement further shrunk the total deficit and strengthened the authorities' optimism that, up to the end of this year, it will be held to the 1,700 million dollar limit provided by the stabilization program for this year.

In the seven-month period, January to July, the deficit in the balance on current accounts was restricted to 1,362 million dollars, versus 2,139 million in the same period last year, and 1,385 in the seven-month period in 1984. A slight improvement was seen in the influx of private capital, while the government borrowing which was contracted has not been cleared in total and has been carried over into the exchange reserve which, at the end of July, was 2,052 million dollars, versus 1,301 million in the same month last year.

The Ministry of National Economy made the following comments on developments in the balance:

"The data on the balance of foreign trade for July show a surplus of 157 million dollars, versus a deficit of 132 million dollars in July, 1985. A result of this favorable development is that the deficit in the balance on current accounts for the seven-month period, January to July 1986, is 1,326 million dollars, while in the same period in 1985 it was 2,139 million dollars. In other words, the deficit shows a 38-percent decrease.

From an examination of the partial data on the balance, it emerges that both exports and invisible revenues are developing favorably and in accordance with the targets which had been set with the measures for stabilizing the economy (as evidence we report that exports increased in July 21.8 percent, tourist exchange was up 32.1 percent and shipping exchange increased 7.2 percent). Conversely, imports, aside from fuel, continued to rise in July. Thus, in the seven-month period, January to July, the increase in imports is on the order of 11.5 percent, compared to the same period in 1985. This development in imports should be connected with the fact that, during the first half of 1986, economic activity was maintained at relatively increased levels in comparison to 1985. Because of this tendency in imports, it is necessary for the monetary program to be faithfully implemented in the second half of 1986.

According to the Bank of Greece's data, the development of the balance in the seven-month period, January to July, in the last three years is as follows, in million dollars:

	<u>1984</u>	<u>1985</u>	<u>1986</u>
Imports	5,804	6,152	5,867
Exports	<u>2,674</u>	<u>2,450</u>	<u>2,501</u>
Trade Balance	-3,130	-3,702	-3,366
Invisible Revenues	2,885	2,771	3,485
Invisible Payments	<u>1,140</u>	<u>1,208</u>	<u>1,445</u>
Balance on Invisibles	1,745	1,563	2,040
Balance on Current Accounts	-1,385	-2,139	-1,326
Working Capital (Net)	1,822	2,191	1,558

From these data, the following emerge:

1. Imports are dropping but this is owing exclusively to the decrease in the exchange expenditure for fuels. Conversely, imports, without fuels, have increased 11.5 percent.
2. Exports with fuels are up 2.1 percent and, without fuels, 13.1 percent.
3. Invisible revenues are showing serious improvement and, in particular, tourist exchange has increased 23.4 percent. Receipts from the EEC are nearly doubled; in the seven months they reached 859 million dollars, versus 433 last year.

9247

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ECONOMIC

GREECE

FIGURES ON DISTRIBUTION OF INCOME, WEALTH, RESOURCES

Athens ENA in Greek 4 Sep 86 pp 23-26

/Article by Makis Andronopoulos/

/Text/ Any of you who still believe that you are "privileged" to live in Athens should revise your thinking because at least a few years ago you used to say "ye I do live with mental anguish but I do make money." Unfortunately, you do not even have that argument any more.

The changes that have taken place in the 1961-1981 20-year period have been so significant that they have turned things upside down. For example, the Dodekanis and Kastoria have a concentration of the "biggest capitalists" in the country since these nomes have the biggest percentage of incomes derived from the working of capital.

And yet in the 1971-1981 decade differences in incomes among the 52 nomes of the country decreased significantly and, indeed, to such an extent that Greece is today the most balanced EEC country as far as the domestic distribution of income is concerned.

The above conclusions derive from an initial perusal of the study on "Regional Distribution of National Income in 1981" by Vangelis Voloudakis, director of economic studies of the Bank of Greece, and Stathis Panourgias, economist first class of the above body. The study is included in the third volume of "The Greek Economy" recently published by the Bank of Greece. The two researchers used data of the last population census in 1981. Let us now see what they came up with.

The Athens area produces almost 40 percent of the overall private income despite the fact that it has 31.08 percent of the population of the country.

In 1981, Athens produced income amounting to 641.4 billion drachmas which together with remittances and transfers of income from abroad reached a total sum of 692.5 billion drachmas. Subtraction of indirect taxes (income tax) and contributions to social security results in net income of 656.5 billion drachmas to be used for spending purposes by the inhabitants. In other words, while Athens produces 40 percent of the income it has at its disposal only 37 percent, something that means that 3 percent of the overall income of the capital area is transferred to other

In 1981, the per capita income in Athens was 229,795 drachmas, i.e. about 28 percent above the average for the country. Net income, after the subtraction of taxes, was 216,887 drachmas or 19.4 percent above the average.

These figures show that the income supremacy of Athens is substantially being reduced by 10 percent when one takes into account the net income. And here too the flight of resources to the provinces is indicated.

Here we should point out the steady drop of income in the capital which in 1971 was 41 percent of the total for the country and which in 1986 had dropped to 39.7 percent.

Let us now leave Athens. Coming in second place in income after the capital is Salonica Nome. In 1981, it produced incomes of 148.3 billion drachmas, i.e. 8.5 percent of the total of the country. Net income (without taxes) was 148.6 billion drachmas (8.4 percent of the total).

There follows the remainder of Attiki Nome with incomes of 56.2 billion drachmas or 3.2 percent of the overall income of the country.

These two nomes give a small part of their incomes, only 0.1 percent, to the other nomes, while they share in population with a greater percentage than income. Salonica has 8.9 percent of the population and the remainder of Attiki 3.5 percent. The result is that the per capita income is lower than the average.

The poorest nomes are Evrytania and Levkas with incomes just 0.1 percent of the overall private national income. Following them with 0.2 percent are Zakynthos, Kefallinia and Grevena nomes. Specifically, Evrytania Nome has a per capita income 40 percent smaller than the average.

Despite all of the above, a more careful view of the rich nomes, i.e. where the per capita income surpasses the average net income shows that Athens, Voiotia, Argolis, Korinthia and Kozani nomes are the "first five."

The five poorest nomes, besides Evrytania, are Rodopi, Arta, Levkas and Xanthi.

Close to average are Kyklades, Kavala, Kilkis and Evvoia nomes. The remaining nomes fall behind by 10-20 percent of the average per capita income.

Nomes that are "net grantors," i.e. their incomes are transferred to others are as follows: in 1981, the capital area that gave 5.6 percent of its per capita income, the remainder of Attiki with 2.2 percent, Voiotia and Kastoria with 1.7 percent, while Salonica appeared neutral, that is it receives as much as it gives.

The remaining nomes of the country are "net receivers" of income from other area. Most of the nomes that receive are Thesprotia, Kefallinia, Lesvos and Samos that consequently augment by 20 percent their per capita incomes. They are followed by Zakynthos, Levkas, Drama and Dodekanisos with 15-17 percent.

Of interest is the evolution of the distribution of private national income in various nomes in the 1961-1981 20-year period, that is how much income was produced by labor, capital (business, rents, etc.) and agriculture.

From a perusal of the tables in the study it follows that the Dodekanisos with Rhodes and its hotels had in 1981 the biggest rewards from capital. Twenty-seven percent of the nome's income was a product of capital as compared with 27.87 percent in 1971 and 23.36 percent in 1961. Income from labor (wages and salaries) rose from 53.93 percent in 1961 to 62.31 percent in 1981.

At the same time, we have a drop in the participation of agricultural income in the overall income of the nome. From 26.19 percent in 1971 it dropped to 10.69 percent in 1981.

A second nome with big income from capital (rents, companies, etc.) was Kastoria. In 1961, only 15.84 percent were rewards from capital, while in 1971 it reached 18.39 percent and then jumped to 26.55 percent in 1981. On the other hand, labor had income of 48.24 percent, 54.24 percent and 55.85 percent. Agricultural income followed a downward trend: from 35.92 percent in 1961 it dropped to 27.37 percent in 1971 and 17.60 percent in 1981.

From these two nomes we see that as the participation of capital increases in the overall incomes income from labor follows afoot, while agricultural income drops.

Athens comes in third in income from capital. Indeed, we can say that the participation of capital in the overall income of the city "has tumbled." While in 1961, 32.83 percent of the city's income derived from the utilization of capital, in 1971 it dropped to 29.6 percent and to 23.27 percent in 1981. In this 20-year period the capital area was converted into a city of workers and employees. Remuneration from labor in 1961 represented 66.54 percent of income while in 1971 it was 70.34 percent and 76.48 percent in 1981! Agricultural income for Athens ranged from 0.63-0.25 percent during the 20-year period.

On the other hand, of the above-mentioned nomes, Fokis, Aitolokarnania and Kilkis have under 10 percent of income from capital.

In the 1961-1981 20-year period a general increase in income from labor was noted. This, however, according to the researchers, is not a sure characteristic of dynamic economic development.

Nevertheless, the researchers perceive that the distribution of per capital income regionally, compared to the distribution of the overall income, showed a substantial improvement during the 1971-1981 period. With the exception of Athens which is 20 percent higher than the average and Evrytania which is 41 percent lower than the average per capital income, the remaining nomes "played" in 1981 within margins that do not surpass 20 percent of the average income of the country. On the other hand, in the 1961-1971 decade there were no significant changes in income in the nomes. Improvement in the second decade came primarily from the transfer of income and emigrant remittances that changed the financial picture of the country. In the 1981-1991 decade it is conjectured that the balancing role played by emigrant remittances will be played by the inflow of capital from EEC funds.

Impressive is the conclusion, according to which the distribution of income in quite a few nomes approximates the standards of developed countries without, however, any corresponding income rise or improvement of the production base, a fact that reflects more state and outside interventions instead of free competitive development.

Nevertheless, regional distribution of income in Greece in 1981 was among the most balanced in all of the EEC with the exception of Great Britain.

The changes that contributed to the income of the nomes in the 1961-1981 period indicate that the tax base has been displaced, a fact which, according to the study, must be examined in depth by the state.

So, times have changed. And it is not only the fresh air and quiet life that will make you decide to leave Athens. Think of it for a moment: you will leave all that mental anguish and gasoline fumes and...you will even get paid to boot!

NOME	NET INCOME (in 1,000 drachmas)	PERCENTAGE OF INCOME	PERCENTAGE OF POPULATION
1) ΠΕΡΙΦ. ΠΡΩΤΕΥΟΥΣΑΣ Capital area	656.587.881.000	37,1%	31,08
2) ΘΕΣΣΑΛΟΝΙΚΗΣ Salonica	148.667.325.000	8,4%	8,95
3) ΥΠΟΛ. ΑΤΤΙΚΗΣ Remainder of Attiki	4.973.433.000	3,1%	3,52
4) ΑΧΑΪΑΣ Akhaia	45.421.788.000	2,5%	2,83
5) ΛΑΡΙΣΑΣ Larisa	42.259.336.000	2,3%	2,61
6) ΗΡΑΚΛΕΙΟΥ Irakleion	40.237.291.000	2,2%	2,50
7) ΑΙΤΩΛΟΑΚΑΡΝΑΝΙΑΣ Aitolokarnania	36.007.949.000	2,0%	2,26
8) ΕΥΒΟΙΑΣ Evvoia	33.139.661.000	1,8%	1,94
9) ΜΑΓΝΗΣΙΑΣ Magnisia	30.855.268.000	1,7%	1,87
10) ΣΕΡΡΩΝ Serrai	29.911.390.000	1,6%	2,02
11) ΚΟΖΑΝΗΣ Kozani	28.569.732.000	1,6%	1,51
12) ΜΕΣΣΗΝΙΑΣ Messinia	27.889.518.000	1,5%	1,64
13) ΦΘΙΩΤΙΔΑΣ Fthiotis	27.595.777.000	1,5%	1,66
14) ΔΩΔΕΚΑΝΗΣΟΥ Dodekanisos	26.427.470.000	1,4%	1,42
15) ΒΟΙΩΤΙΑΣ Voiotia	24.955.535.000	1,4%	1,20
16) ΗΛΕΙΑΣ Ileia	24.895.086.000	1,4%	1,65
17) ΚΑΒΑΛΑΣ Kavala	24.312.997.000	1,3%	1,39
18) ΕΒΡΟΥ Evros	24.252.936.000	1,3%	1,52
19) ΚΟΡΙΝΘΙΑΣ Korinthia	23.977.078.000	1,3%	1,26
20) ΖΑΚΥΝΘΙΑΚΗ Zakynthos	23.826.005.000	1,3%	0,81
21) ΠΕΛΛΑΣ Pella	23.585.343.000	1,3%	1,36
22) ΗΜΑΘΙΑΣ Imathia	23.113.916.000	1,3%	1,37
23) ΙΩΑΝΝΙΝΩΝ Ioannina	21.762.554.000	1,2%	1,51
24) ΚΑΡΔΙΤΣΑΣ Karditsa	21.102.830.000	1,1%	1,28
25) ΧΑΝΙΩΝ Khania	20.934.307.000	1,1%	1,29
26) ΤΡΙΚΑΛΩΝ Trikala	20.529.825.000	1,1%	1,38
27) ΑΡΚΑΔΙΑΣ Arkadia	18.428.417.000	1,0%	1,11
28) ΑΡΓΟΛΙΔΑΣ Argolis	17.691.174.000	1,0%	0,95
29) ΠΙΕΡΙΑΣ Pieria	16.936.227.000	0,9%	1,10
30) ΚΥΚΛΑΔΩΝ Kyklades	15.599.691.000	0,8%	0,91
31) ΛΕΣΒΟΥ Lesbos	15.564.251.000	0,8%	1,07
32) ΛΑΚΩΝΙΑΣ Lakonia	15.504.480.000	0,8%	0,96
33) ΚΕΡΚΥΡΑΣ Kerkyra	15.173.062.000	0,8%	1,02
34) ΔΡΑΜΑΣ Drama	15.094.430.000	0,8%	0,97
35) ΚΙΛΚΙΣ Kilkis	14.664.232.000	0,8%	0,84
36) ΡΟΔΟΠΗΣ Rodopi	12.920.767.000	0,7%	1,11
37) ΞΑΝΘΗΣ Xanthi	12.095.084.000	0,6%	0,91
38) ΛΑΣΙΘΙΟΥ Lasithion	11.592.727.000	0,6%	0,72
39) ΑΡΤΑΣ Arta	10.255.195.000	0,5%	0,82
40) ΡΕΘΥΜΝΗΣ Rethymni	9.237.000.000	0,5%	0,65
41) ΚΑΣΤΟΡΙΑΣ Kastoria	8.592.837.000	0,4%	0,55
42) ΠΡΕΒΕΖΑΣ Preveza	8.310.684.000	0,4%	0,57
43) ΧΙΟΥ Khios	7.884.314.000	0,4%	0,51
44) ΦΛΩΡΙΝΑΣ Florina	7.863.126.000	0,4%	0,54
45) ΦΩΚΙΔΑΣ Fokis	6.999.367.000	0,3%	0,45
46) ΘΕΣΠΡΟΤΙΑΣ Thesprotia	6.849.945.000	0,3%	0,42
47) ΣΑΜΟΥ Samos	6.320.819.000	0,3%	0,42
48) ΖΑΚΥΝΘΟΥ Zakynthos	5.319.724.000	0,3%	0,31
49) ΓΡΕΒΕΝΩΝ Grevena	5.225.443.000	0,2%	0,37
50) ΚΕΦΑΛΛΗΝΙΑΣ Kefallinia	5.063.130.000	0,2%	0,32
51) ΕΥΡΥΤΑΝΙΑΣ Evrytania	3.085.615.000	0,1%	0,27
52) ΛΕΥΚΑΔΑΣ Levkas	2.834.902.000	0,1%	0,22

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ECONOMIC

GREECE

BRIEFS

LIQUIDITY CRISIS AFFECTS MARKET--The value of bad checks increased by leaps and bounds in August, according to official data of the Union of Greek Banks. Specifically, in August the value of bad checks reached 1.8 billion drachmas, versus 1.1 billion in August, 1985. In other words, there was a 63-percent increase. At the same time, the value of unpaid bills of exchange increased 18.5 percent, reaching 3.6 billion drachmas. This development reveals the dreadful liquidity crisis which is afflicting the market at present, while, from another standpoint, it reinforces the forecast of commercial factors who maintain that the economic crisis will be intensified in coming months. It should be noted that already--as I KATHIMERINI has written--certain commercial banks have warned the large businesses with which they have dealings that they will have to be very cautious in coming months as regards personal credit. According to the bank's estimations, in the future about one-third of such transactions will have to be considered, a priori, risky. Market factors attribute the increase in bad checks and unpaid bills of exchange, on one hand, to the oppressive restrictions imposed by the government on productive and commercial enterprises and, on the other, to the plummeting retail sales observed in the summer months which did not allow businesses to liquidate their merchandise. [Text] [Athens I KATHIMERINI in Greek 12 Sep 86 p 13] 9247

CSO: 3521/249

ECONOMIC

NETHERLANDS

TRADE UNION FEDERATIONS TO COOPERATE MORE CLOSELY

Amsterdam DE VOLKSKRANT in Dutch 6 Aug 86 pp 1, 3

[Article by Steffie Kouters and Harry van Seumeren: "FNV Wants to Revive Contact with CNV and MHP; Fellow Trade Union Federations Have Positive Reaction, Pont Says"]

[Text] Amsterdam--Following 12 years of separate activity, the FNV [Netherlands Trade Union Federation] now wishes to revive its cooperative relationship with fellow trade union federations CNV [National Federation of Christian Workers in the Netherlands] and MHP (Mid-Level and Executive Personnel). "We in the FNV want to take the initiative because we are frequently seen as being opposed to cooperation," FNV chairman H. Pont said on Tuesday.

The chairmen of the two other trade union federations did not react negatively when contacted informally by Pont several weeks ago. This appeared to be the case on Monday based on the reaction given by CNV chairman H. van der Meulen: "I do not rule out some form of cooperation, but I do want to preserve our identity. It must not be the case that the FNV makes a decision and we are supposed to submit to it later on."

Up until 1974, the three trade union federations existing at that time, the NKV [Netherlands Catholic Workers Federation], NVV [Netherlands Federation of Trade Unions], and CNV, worked together within the decision-making body of the three trade union federations. This executive-level cooperation was destroyed first when the NKV and the NVV formed a federation and later joined to form the FNV. Initially, the CNV participated in the federation's deliberations, but later it went its own way. Pont said on Tuesday that as the years pass he is understanding more and more the need to again have a structured decision-making system.

Absolutely Necessary

"In addition to being chairman of the FNV, I am also vice chairman of the Social-Economic Council (SER) and labor chairman of the Labor Foundation, the national decision-making body for the federations of employers and employees. Here I of course hold my post not exclusively in my capacity as FNV chairman, but also as the first speaker for all the representatives of employee organizations. A structured decision-making system among all of the trade union federations is therefore absolutely necessary," according to Pont.

"Structured decision-making with one another eliminates unnecessary divergences in viewpoint. The risk at present is that the trade union federations are moving away from each other. This would be very harmful to labor relations. The first signs of a development which I am afraid of are already there. This year various collective bargaining agreements have been concluded exclusively with representatives for the executive personnel. The industrial unions of the FNV and the CNV have been left behind. A very unfortunate development."

Pont does not envisage a merger of the three trade union federations. "Not at the moment. Even the mere thought of this would serve as a roadblock to initial steps for better cooperation. I know that the CNV in particular is very fond of its separate identity. And given the rapid growth of the MHP, the federation for mid-level and executive personnel, conflicts of interest with the other federations are discernible. Such conflicts will not disappear so soon."

Pont knows that even within his own ranks there is a tendency to "drag one's feet somewhat" as far as close cooperation with the other federations is concerned. All the same, he is confident that the federation council of his FNV, which includes all of the chairmen of the affiliated unions, will next month grant its stamp of approval to this initiative. The cooperative relationship has been recommended by a project group which recently issued an interim report regarding the FNV's project for the future: "The FNV 14 Years from Now."

The Unions

This working group includes the most important leaders of the affiliated unions. Pont: "For instance, the chairmen of the industrial union and of the women's union are members. I may therefore assume that the report will not be shoved under the table in the federation council. I even consider this to be impossible, but it is perhaps going too far to assume at present that all of the report's suggestions will be adopted just like that."

Only a few unions wished to give their reaction to the interim report because it must still come up for discussion in their executive boards. Most outspoken is J. Schuller from the FNV's construction and lumber union, who presented the initiative to the project group. The other unions adopted the proposal, but the majority of the unions did not want the study to extend as far as the structure of the trade union movement and the mode of organization.

Schuller believes that on the basis of this interim report the federation council must now approve a follow-up study on structure. He realizes, however, that most of his fellow trade unions are still not sitting and waiting for such a study. "For this reason, we ourselves are going to publish a comprehensive discussion paper next year no matter what happens, on the occasion of our 70th year of existence. It's going to be a book written by a number of experts who will not limit themselves to the structure of the FNV itself, but who will investigate how the entire trade union movement in the Netherlands ought to be organized."

Many FNV unions have had enough of structural changes after the large number of reorganizations that occurred in the recent past. Schuller: "But we are

of the opinion that it is really necessary to take a look at this. The interim report itself indicates that several unions are concluding different collective bargaining agreements within a single economic sector or company organization. That is really crazy. There exist major differences among the 16 FNV unions. There are some which have 1,000 members and some which have more than 200,000. But what irritates us most of all is the fact that the trade union federation is much too dependent upon the affiliated unions. The federation must acquire a more independent position."

The FNV's service sector union continues to be impressed by the attention given to the service sector in the report. "We naturally have enough growth possibilities," says spokesman L. de Waal. "At present we have 65,000 members, while approximately one million souls are active in our economic sector. In other words, there is still enough to be done. It would be great if we could arrive at a reorganization in financial resources so that we would be able to invest in manpower. The FNV as a whole must jump into the breach given the changing circumstances within the economic sectors."

De Waal's view is that the service sector union would be able to use the additional money for projects to make it more visible to the target group. Examples of this are the actions taken against circumvention of minimum wages in retail trade as well as the efforts that the union wishes to undertake on behalf of people who work on the basis of flexible contracts, such as temporary help, persons who work at home, contract help, and freelancers.

The second issue with which the service sector union is satisfied is the emphasis that the FNV report places on improving the working conditions for those groups most frequently involved in such flexible contracts. "It is good that the paper makes an explicit choice in favor of certain categories of employees such as women and young people," De Waal says.

De Waal's sole objection is his fear that during the discussion the FNV's attention will perhaps be directed too much toward those persons who have more education.

G. van Bakel, the leader of the FNV food union, points out that the report strengthens the perception that the trade union movement is not making the best impression in the eyes of non-organized workers. "The image is of a club of employed males. Women, young people, ethnic minorities, as well as mid-level and executive personnel are singularly missing from trade union membership rolls."

Project group member van Bakel: "We are urging that these groups be given extra attention without of course neglecting the existing membership. We don't want to make a choice in favor of new groups at the expense of current members. We want to have a more balanced membership profile."

Together with the construction union, the food union holds the view that a follow-up study must be issued in regard to the FNV's structure. "I know that this is a point of contention within the FNV unions, but the project group has really brought the issue up for discussion once more. If you want to have greater balance within the realm of large and small unions, then restructuring is something you will not be able to avoid."

ECONOMIC

TURKEY

NATION URGED TO TAKE ADVANTAGE OF OECD TECHNICAL AID

Istanbul CUMHURİYET in Turkish 25 Jul 86 p 9

[Article by Sakip Sabancı, chairman of The Association of Turkish Industrialists and Businessmen (TUSIAD): "The Visit of the OECD Secretary General to Turkey..."]

[Text] Jean-Claude Paye, OECD secretary general, has come to Turkey and held talks with official and nonofficial circles in Istanbul and Ankara. The OECD was founded in 1948 to save European countries from economic collapse in the aftermath of World War II. It administered the U.S. economic aid to Europe, generally known as the Marshall Plan. It brought its activities to a conclusion at the approach of the 1960's, but because of the faith of its member countries, it was reorganized in 1961 with modified and expanded goals.

Its aims are as follows:

- To achieve the highest possible level of growth and employment consistent with financial stability in member countries and thus to contribute to the world economy.
- To contribute to the efforts of both member and nonmember countries for economic development.
- To support the development of world trade on a multilateral, nondiscriminatory basis.

The OECD has 24 members. All European countries, the United States, Canada, and Japan are members of the organization. In addition, Yugoslavia participates in certain activities of the OECD as a "part-time member." Turkey has been a member of the OECD since it was founded. The organization is significant for Turkey for another reason: when Turkey embarked upon the era of planned development, Western industrialized countries established a "Consortium" planned the aid from the Western world to go toward Turkey's development and channeled it to Turkey.

Jean-Claude Paye has been the OECD secretary general for over a year, but this is the first time he has set eyes on Istanbul.

According to the secretary general, the OECD Administration has some 500 employees, of whom only 7 are Turks and they are employed at low-level jobs.

It also emerges from the secretary general's statements that Turkey, except for its relations with the "Aid Consortium," is among the member countries that have least benefited from the OECD.

At this stage one must wonder:

- Is it the secretary general's fault that it has taken all this time for him to come to Turkey, or is it ours for not having thought of it earlier?
- Is it the OECD's fault that only 7 of its 500 personnel are Turks, or is this the result of our failure to seek our rights?
- Is it the OECD that has prevented us from taking advantage of various opportunities, or is it our failure to seek them out and use them to our benefit?

Let us set aside any temptation to hunt for a culprit for past errors and assess the future.

- We should be aware of the importance of the OECD. The OECD today carries as much weight regarding its reports on member countries as the IMF. The red or green light it can give regarding a country is as important as a signal from the IMF. We should get this point straight and, armed with this knowledge, keep our relations with the OECD warm and lively.

- We should get a good idea of the OECD's possibilities and try to use these possibilities through projects that fit in with the OECD's conditions.

- We should not look upon the OECD solely as a "financial source." We should benefit from its extensive body of expertise in technical and economic matters and its technical assistance resources. If we keep in mind the OECD's goals at its foundation, we shall see that we have the opportunity of obtaining OECD technical assistance with Turkey's current fundamental problems: inflation, the intensification of investments and employment issues.

Let us by all means deplore the time that has been wasted without making use of the possibilities of this important establishment in which we are members on an equal footing with Western countries -- whether we were ignorant of these possibilities or failed the use of them despite knowing about them. But do let us henceforth show the skill to benefit from this organization.

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ECONOMIC

TURKEY

INDUSTRIALISTS DISCUSS PRIVATIZATION OF STATE ENTERPRISES

Istanbul CUMHURIYET in Turkish 25 Jul 86 p 9

[Text] Economic Service--Industrialists have demanded that "wholesalers' formulas" be regarded with disfavor in the privatization of the State Economic Enterprises [SEE], a process known as "SEE sales." Pointing out that such formulas may create monopolies, the industrialists also proposed that permission for foreign capital investments should also be conditional upon bringing in new technology and creating new markets. Debating the question of "the privatization of the SEE" at a meeting of the Istanbul Chamber of Industry [ICI] Council, industrialists and businessmen demanded that sales of shares in the SEE should be "spread to the grassroots" as a measure against "the risk of renationalization," saying: "The first step in privatization should be to reduce the state's share in the SEE to under 50 percent and to turn over management to the private sector." Airing their views on the question of foreign exchange, an item on the agenda, the industrialists said that "action must be taken as soon as possible to avoid giving the impression that the foreign exchange situation is returning to where it was in 1979."

The ICI Council meeting, held 2 days ago, dwelt on the privatization of the SEE and the foreign exchange shortage. The meeting, chaired by Ibrahim Bodur, first heard Nurullah Gezgin, chairman of the ICI management board. He reminded those present that the subject of the SEE was placed on the agenda at the request of Sakip Sabanci, chairman of the Association of Turkish Industrialists and Businessmen [ATIB] and a member of the ICI Council, and said: "The private sector must approach the SEE issue with one voice under the umbrella of the Union of Turkish Chambers of Industry, Commerce, and Stock Exchanges [UTCICSE]." Arguing that privatization is not a political decision, Gezgin added:

"As is known, this issue was first raised by a Social Democratic government in 1978. The important thing is to make privatization a matter of the people." Council member Saban Cavusoglu, following Gezgin, asked UTCICSE Chairman Ali Coskun to explain the government's view on the subject. Ali Coskun said that the government did not have a particular viewpoint when it placed the subject in its program: "Judging by the initial statements, we thought that the government had some program. Later, however, we found out that these views were those of the consulting firm, Morgan Guaranty." He said that the government's view will be defined after talks with industrialists.

Coskun pointed out that the SEE has fulfilled a historic role as the initiator of industrialization in Turkey. He said that the UTCICSE's official view has emerged from a poll conducted among establishments affiliated with the UTCICSE on the subject of "the privatization of the SEE" and announced the results of the poll as follows:

"The sale of the SEE in accordance with wholesalers' formulas is full of pitfalls. Acts of privatization must therefore deal first with questions concerning the public versus the private sector and then those of management. Initially, the state should reduce its shares in the SEE to under 50 percent of the total, transform these enterprises into limited companies, and let the private sector manage them. Some of the SEE should be sold off by issuing preference shares in them, making these documents convertible into stock shares in 3-5 years. There must be an absolute requirement that establishments with foreign capital that wish to buy into the SEE introduce new technology and create new markets. Furthermore, to guard against the renationalization of the SEE, it is necessary to spread ownership of the shares to the grassroots. Therefore, priority in the sale of shares must go first to the employees of these enterprises, then to the population at large and to employers."

Asim Kocabiyik, member of the ICI Council, proposed that SEE shares should first be turned over to the Condominium and Public Partnership Administration and then sold to the public through the banks. Alber Bilen, another council member, said: "The acquisition of more than 3-5 percent of the shares by any one person at these sales must be prevented. Working people and others with small savings must be helped to acquire SEE shares." He asked that establishments with foreign capital be allowed to participate in the management of the SEE.

ATIB Chairman Sakip Sabanci proposed that private sector establishments prepare reports on the subject of privatization, and a joint viewpoint based on these be produced. He cited examples of privatization in the United States. He explained how firefighting services, reformatories, refugee services and courts were transferred to the private sector in the United States. He said: "Public opinion is very important in such sales. Care should be taken not to create the impression that some are selling and others are lining their pockets."

The final item on the agenda of the ICI Council meeting concerned the foreign exchange shortage. On this subject, Nurullah Gezgin, recalling Prime Minister Turgut Ozal's statement to the effect that "there is no shortage of foreign exchange," said: "But the fact remains that when a Turkish industrialist applies for a letter of credit, he is asked to pay a 7-percent commission for it." He demanded that this issue should be clarified as soon as possible. He added:

"If there is truly no shortage of foreign exchange, then there is some hitch somewhere along the line; and if there is, then the prime minister should address himself to the problem before he refutes it. Lack of a clear stand can create an impression that may make foreigners ask; 'Are things going back to 1979?', and may lead our foreign suppliers of raw materials and semi-processed goods to halt supplies to us."

ECONOMIC

TURKEY

SHIPPERS' ORGANIZATION CALLS FOR LARGE, MODERN PORTS

Istanbul MILLIYET in Turkish 4 Jul 86 p 11

[Text] Demands have been voiced for a renunciation of the policy of numerous small ports and for concentration instead on large regional ports in Turkey.

Captain Necmettin Akten, secretary general of the Association of Turkish Long Voyage Vessel Captains, addressed a "Symposium on problems of the maritime sector" held by the Ministry of Communications at the Tarabya Hotel. He stated that the small size and large number of ports increase transportation costs, and he proposed that large, modern ports be built at selected sites. Minister of Communications Veysel Atasoy, who was present at the seminar, welcomed the proposal, saying that large regional ports would solve a major infrastructural problem of the maritime sector. Atasoy noted that it would be more beneficial for the maritime industry if these ports were built in batches by private sector groups.

Altan Koseoglu, deputy director of the Istanbul Region of the Ministry of Communications, dwelt on the effect on the Turkish maritime industry of the Paris memorandum. He said that a new threat in the form of inspection lay in store for the Turkish fleet plying the Mediterranean. Altan Koseoglu explained that the Paris memorandum was a joint decision taken to regulate inspections aimed at insuring the effectiveness of the implementation of the agreements in connection with the maritime industry in 14 European countries, and he said that 376 Turkish vessels have been inspected in accordance with the memorandum in the past 3 years. Koseoglu added:

"According to information received by the Ministry of Communications, Turkish vessels are undergoing strict inspections, mainly at Italian and Greek ports. Through such measures as refusal to allow permission to sail unless deficiencies are corrected, a large part of the freight fees earned by the Turkish vessels -- most of which are coasters -- is being taken from their hands. A threat to the Turkish fleet, which mainly plies the Mediterranean, now lies in Spanish, French, Italian, and Greek ports."

13184/12851
CSO: 3554/143

ECONOMIC

TURKEY

BRIEFS

BUYUKADA ARTIFICIAL HARBOR CONSTRUCTION--The Municipal Council of the Princes' Islands has begun the construction of a fishermen's harbor at Buyukada. The harbor, capable of sheltering up to 200 fishing crews in stormy weather, will cost 100 million lira and is scheduled to be completed this year. Recep Koc, mayor of the Princes' Islands, has pointed out: "Fishermen in Marmara have difficulty in finding shelter in stormy weather, which has resulted in loss of life and property in the past. When the 'Save the Istanbul Coast' operation launched by the greater Istanbul municipality at a cost of 600 billion liras is completed, the Marmara Sea will become a fishing lake and the steadily declining craft of fishing will enjoy a revival. That is why we deem important the fishermen's harbor under construction at Buyukada." Koc recalled: "At one time it had become impossible to fish by hook and line off the coast of the Princes' Islands due to the uncontrolled discharge of sewage into the sea, which made the waters around the islands look as filthy as those of the Golden Horn. The construction of a sewage system is about 85 percent complete now, and the coast of the islands has been saved from excessive pollution. The sewage system of Buyukada is also about to be completed. The haphazard pollution of the shores of these two islands has now been prevented and these coasts have been opened to use by hook and line fishermen." Mayor Recep Koc pointed out, "On the islands where sewage systems are operational, those who discharge dirty water into the sea through rainwater conduits will be fined 500,000 lira." [Text] [Istanbul TERCUMAN in Turkish 13 Jul 86 p 7] 13148/1285

TV TUBE PRODUCTION--Kemal Onder Reports--Ugurgul Elektromekanik Makina Sanayii ve Ticaret A.S., the sole television tube manufacturer in Turkey, has left behind a 2-year period of inactivity to mount a great drive to resume television tube manufacturing and exporting. Achieving great honor for Turkey by exporting television tubes to Europe -- which at one time used to supply us with television sets -- Ugurgul has succeeded in selling its products to a number of large establishments in various European countries, including Philips, one of the best-known and most exacting electronics firms in the world. Ahmet Ugurlu and Ali Gulec, the owners of Ugurgul, which sent the first shipment of 1,600 black and white television tubes to the MBL company, which represents Philips in Belgium, said that exports will go out regularly every month. Pointing out that there has been a reaction to Japanese goods in European countries in recent years and that there is a movement toward a "European union, Ugurlu and Gulec said: "European factories manufacturing black and white television tubes have closed down. But millions of Europeans continue to use black and white television sets. These need black and white television tubes.

So, because our products are more attractive both as regards quality and cost, discriminating Europeans have begun favoring our television tubes. In this sense, we are very lucky. We will also send regular shipments of TV tubes to Italy and to Middle Eastern countries, Iran, Iraq, and Algeria. We have also brought color television tube production units into production. We will earn 25 million liras worth of foreign exchange from this first shipment of TV tubes to Philips. We are even leaving behind the Eastern Bloc countries in this field." [Text] [Istanbul TERCUMAN in Turkish 13 Jul 86 p 7] 13148/12851

EEC OBJECTION TO IMPORT AGREEMENT--Brussels (HURRIYET)--It has been learned that an agreement has been signed with Iran, without the knowledge of the Turkish Government, envisaging the application of reduced customs tariffs for Iranian non-oil products to be imported into Turkey. Among the few non-oil items that Turkey imports from Iran is caviar. It is understood from EEC circles that Turkey, with a view to developing its trade with Iran, has signed an agreement envisaging the application of reduced customs duties on the non-oil products it will import from that country. This agreement, however, is considered to be in contravention of the supplementary protocol between Turkey and the EEC and of the 1976 Turkish-EEC partnership council decision. EEC circles hold that in the event Turkey introduces changes in a trade regime with an underdeveloped third country, it must consult the EEC. On the other hand, it is claimed that it is not known who made the agreement in question. It is understood that the Turkish Government did not consult the EEC either before or after the agreement was signed. The matter came out into the open when Iran asked for implementation of the agreement and for the granting of a reduced tariff for the export to Turkey of, for example, caviar. It is reported that the Turkish Government has found itself in a difficult position and is trying to find a solution to the problem. [Text] [Istanbul HURRIYET in Turkish 4 Jul 86 p 4] 13184/12851

CSO: 3554/143

MILITARY

AUSTRIA

NEW DEFENSE MINISTER DEMANDS RIGOROUS MANAGEMENT PRINCIPLES

Vienna DIE PRESSE in German 18 Aug 86 p 3

[Article by Peter Zehrer: "The Manager and his Soldiers--Defense Minister Helmut Kruenes's Disconcerting Leadership Style"]

[Text] Vienna--Even though he keeps in perfect step with the martial music when inspecting troops lined up in his honor, Helmut Kruenes still does not look the picture of your "traditional" defense minister. His mode of expression too is quite unlike that of the others. There is about him nothing pointedly martial, nor cryptically silent, nor anything ingratiatingly chummy. There is, on the other hand, quite a bit of skeptical restraint. Nevertheless--or perhaps, just because of this--a number of doubters have come over to his side during the short period he has been in office. Not only in the ministry, but also in the army.

The event whispered about in the cafeteria as a "horror" when the former brick manufacturer took office, the staff meeting at 0800 hours for high-ranking ministry officials, has long since become daily routine. In his position as minister, which Kruenes knows may be short-lived, he operates exactly the way he did in private industry: he demands punctuality, which is occasionally inconvenient (for others); precise status reports in place of the vague statements some of his predecessors had been used to listen to; comprehensive analyses of apparently obvious subjects.

He started the most important analysis himself. "At first, I didn't really pay all that much attention to it," he admits openly. "I was being confronted with all kinds of deficiencies and bad conditions, with the personnel structure and with the economic problems. But it is essential to know what is behind the development of the Federal Army, why things turned out the way they did. That is what I want to know. And so I have been asking a lot of questions."

After such men as Graf, Schleinzner, Prader, Freihsler, Luetgendorf, Roesch and Frischenschlager, Helmut Kruenes is the first defense minister of the Second Republic who is soliciting a description of the threat facing the Austrian Republic, and especially its soldiers--probably also for purposes of self-evaluation. "We must know exactly where we stand if we are to come up with effective remedies."

This attitude does not merely lead to flattery from generals and civil servants who share the minister's point of view. It also brings about agreement among the skeptics in the ministry building: "All the other ministers always accepted whatever people would throw at them. The only thing they cared about was what was happening at any particular moment. No one was concerned about the whys and wherefores."

Helmut Kruenes has done away also with another military "tradition:" at staff meetings, which take place more frequently and last longer than they did in the past, the only liquids served are coffee and mineral water. Says Kruenes: "The other way might promote relaxed chats. I certainly am no teetotaler, but here I am operating just as I was in my previous functions: nothing much comes from too much sociability. If there is hard work to be done, there will not be a drop of alcohol."

Helmut Kruenes is different in a number of ways. Here he entrusts young economic scientists with a study of military procurement procedures. There he informs a moribund state-owned enterprise that he has no intention of handing out procurement contracts for political reasons. And elsewhere, he appoints Austrian university professors as expert inspectors of aircraft pronounced "fully airworthy" by a foreign contractor, because he has a "sense of mistrust."

Inasmuch as military people--God knows, not only Austrian ones--have a tendency to squander millions for military procurement (to quote a high-ranking and honest defender of his country), the new boss suddenly requests cost-effectiveness studies. And he treats his armed forces, which he calls an "organization" with increasing frequency, as an entity which needs to be operated in accordance with marketing and economic management principles.

Premature jubilation by artillerymen and their bosses over the VOEST gun came to naught when the gun suddenly turned out to be inappropriate for Austrian requirements, and too expensive besides. Likewise, in this connection, the "Draken" project suddenly appears to be somewhat uncertain again. In all likelihood, unpleasant surprises are in store for a number of people.

With an air of innocence, the defense minister assures one and all that he "depends" upon "the experts around him." But in a quiet aside, he confesses knowing that military people anywhere in the world know very little about management.

A graduate of countless management courses, Kruenes places particular emphasis on leadership. In contrast with his predecessor, he has surrounded himself with a much happier group of advisers--happier, because they were selected according to criteria used by an expert manager.

Also in contrast with his predecessor, who frequently made ill-considered statements into open microphones to the dismay of his officers (and others), only to be forced to make retractions later, Kruenes practices restraint in dealing with the media. As an example, the subject of guided missiles is for him "simply not relevant, because Austria is in so touchy a political

situation that I have no intention of dealing with this matter through the media. I would consider this to be a terrible mistake."

Also, he is enough of a realist to concede that during the coming months since there will be no "missile" decisions of any kind either. As he puts it, "the national defense must not be made to depend upon one single decision."

He sees the status of the Bundesheer from the standpoint of the economist: "In the economy, there is a true bottom line, the true outcome of competition. Any planning is made to conform to the market situation. There is no such thing as long-term planning without market analysis." That, he says, is what is urgently needed in the armed forces. "The only good thing about it is that we don't actually have to come up with a bottom line."

To make the results of the analysis initiated by him public he considers "highly inadvisable; after all, no other firm puts all its cards on the table." Austria, he says, has gone much farther than any other country by publicizing its national defense plan.

The only value judgment he is willing to make is fairly typical: "The Federal Army is an atypical service organization, a very large enterprise composed of human beings. For this reason, the human function in this organization is my first priority."

Whenever Kruenes talks of "function," he always means "functioning" as well. Which is why some of his subordinates consider him "difficult." And that is probably fine with him.

9273/12947
CSO: 3620/826

MILITARY

GREECE

PYR-KAL LOAN: REPAYMENT SEEN DIFFICULT

Athens I VRADYNI in Greek 2 Sep 86 pp 1, 2

[Text] Yesterday government spokesman, Mr. Milt. Papaioannou, tried to deny VRADYNI's revelations concerning the scandal of the 8 billion yen--7 billion drachmae--loan, which ETVA hastened to approve with exceptional speed in favor of PYR-KAL [Powder and cartridges].

In the meantime, either the government spokesman was deceived by the officials involved in this strange loan grant or he attempted to cover up the whole affair. As a matter of fact, when questioned on the matter, he stated, "It is not true that ETVA negotiated a loan amounting to 7 billion drachmae on behalf of PYR-KAL" and referred any additional questions to ETVA.

ETVA is sure to know! However, the secret of the scandalous loans is no longer a secret. A written complaint was filed by Mr. Dim. Pafilis, president of the union of ETVA employees, who is also their spokesman, with the board of directors of the bank. According to Mr. Pafilis' report to the executive bureau of OTOE, the loan is characterized as "arbitrary and against bank procedures and ethics," without prior research, elemental premises and financial data.

Undeniable Data

Mr. Pafilis denounced the haste and improvisation with which the loan grant was handled. The haste is confirmed by the dates of the relative documents:

The PYR-KAL letter numbered 281/9129 is dated 4 August.

By the following day--5 August--ETVA vice president, Mr. Str. Papaevstratiou, had answered PYR-KAL and apprised it of the terms of the loan, which the bank will present to the board of directors of the National Bank of Greece (Progressive letter number 15800/5 August 86).

On 7 August deputy Minister of Industry and Energy, Mrs. Vaso Papandreou, gave her approval (letter number 5130/7 August) for granting the loan.

On 8 August the Economic Reorganization of Enterprises Organization, Inc. (OOAE) addressed itself to the Monetary Policy Directorate of the Bank of Greece and notified it that the green light had been given for both the "monetary-economic recovery" of PYR-KAL "which is to be carried out in the immediate future" and

that ETVA "will seek to finance PYR-KAL in excess of one-half of the stock capital" and adds that PYR-KAL, with the first withdrawal from the account of the new 8 billion yen loan, will repay the remaining balance due on the 4 billion drachmae loan that had been obtained from the National Bank.

However, further on in the same OOA document it is mentioned that, until that time, the ETE (National Bank of Greece) had granted loans to PYR-KAL for only 1.4 billion drachmae (from the 4 billion drachmae loan) "and it is expected that it will not be possible to grant the entire loan because of a decided disbursing problem by ETE ..."

Thus, because ETE has problems in disbursing drachmae, ETVA appears willing to grant PYR-KAL a loan in yen in a flash!

Many other interesting details were revealed by the study of the above-mentioned documents. However, let us return to Mr. Pafilis' denunciation to the OTOE executive bureau.

The contracting of the loan was approved on 21 August. The only information ETVA's board of directors had in order to approve it were the terms for granting the loan contained in a two and one-half page report (handwritten, dated 18 August) wherein it is stated that "ETVA will draw the 8 billion yen from part of the bulk of the loan in foreign exchange recently contracted with Japan and deposited in the Bank of Greece."

In addition, Mr. Pafilis' report to the OTOE executive bureau that he was advised by telephone by Mr. Pan. Moskhos, alternate general director of PYR-KAL, that its board of directors knew nothing regarding the matter of the loan and that his information went as far back as July when it was announced that a loan of 4 billion drachmae had been granted to PYR-KAL by the National Bank to finance its exports. The denunciation adds that it is impossible for PYR-KAL to repay the loan in 3 years, moreover in foreign exchange, while there is the danger of the yen being reevaluated, at which time the debt will increase even more.

9731

CSO: 3521/252

MILITARY

GREECE

DETAILS ON JOINT FILIPPOS-86 MILITARY MANEUVERS

Maneuvers' Success

Athens AKROPOLIS in Greek 30 Aug 86 p 8

[Excerpts] Yesterday our Army "invaded" enemy-held territory. Within 3 hours it had occupied the impregnable fortresses of the "enemy." Naturally, the battle could have been waged with live ammunition, but the "enemy" consisted of fictitious targets.

Yesterday noon the last phase of the great "Filippos 2/86" maneuvers took place at Polykastra in the presence of the minister and vice minister of National Defense.

The maneuvers were carried out within the framework of the yearly training of the units and began on 26 August and lasted 4 days.

Participating in the exercise were Army and Air Force units with a total of 883 officers, 163 of whom were reservists, and 7,723 soldiers, 3,539 of whom were reservists, who had been recalled under the framework of the rotation training of reservists.

During the exercise the process of cooperation between the Army and Air Force forces were tested in a most realistic manner, as was the coordination of the operations of the participating units.

The last phase of the maneuvers, which consisted mainly of a counterattack by our troops against "enemy" forces, took place yesterday.

Coordination

Yesterday at 10:15 hours Lt. General Panagiotis Markopoulos, commander of the II Army Corps and in command of the exercise, gave the signal to commence the final phase immediately after Minister Kharalambopoulos' and Deputy Minister Papstratis' arrival at the observation post.

What must be pointed out particularly was the harmonious cooperation of the units during the exercise, the accuracy of the artillery fire and the gun crews, as well as the success of the call-up of the reservists. The morale of the conscripts as well as that of the reservists was particularly impressive.

Just prior to its conclusion, the synchronization and demonstration created quite an impression. That is when the helicopters transported large numbers of soldiers to one side of the hill, while on the other, C-130 transport aircraft dropped ammunition, rations, modern equipment and 224 paratroopers, who landed with precision at the predetermined spot.

In addition to the minister and deputy minister, the exercise was witnessed by the high command of the Army and Air Force, as well as division commanders, the prefect of Kilkis Nome, the archbishop, the mayors of the towns of the area and a large crowd.

One thousand four hundred sixty-six vehicles and tanks, which travelled a total of 250,000 kilometers, took part in the maneuvers.

'Leopard' Tanks' Accuracy

Athens I VRADYNI in Greek 2 Sep 86 p 3

[Excerpts] The "war climate" that prevailed in Central Makedonia during the past 3 days ended yesterday with the retaking of friendly territory and the review that signaled the conclusion of the great "Filippos 2/86" maneuvers in which a large number of reserve officers and men took part.

Participating in the exercise were motorized infantry units, armored vehicles, paratroopers, helicopters and aircraft of the Air Force.

The accuracy of the German "Leopard" tanks was impressive, as was that of the artillery units. Additionally, the drop of paratroopers, who had been transported from Aspropyrgos in C-130 aircraft, was effected with great precision despite the difficult terrain, while, at the same time, an infantry company, transported by helicopters, occupied the surrounding high ground.

Aircraft of the Air Force took part in the exercise by attacking ground targets. According to calculations of those in charge of the exercise, during its 3-day duration, 1,466 tanks and vehicles were used and travelled a total of 250,000 kilometers.

9731

CSO: 3521/252

MILITARY

GREECE

CONTRACT OBTAINED FOR PHANTOM AIRCRAFT REPAIRS

Athens TA NEA in Greek 28 Aug 86 p 2

[Text] The Greek Aircraft Industry (EAV) achieved great international success by obtaining a contract for the maintenance and support of the power plants of all the US Air Force F-4 "Phantoms" in Europe.

The agreement was announced yesterday by the president and managing director of EAV, Prof. Panagiotis Fotilas, who pointed out that the company has been awarded the contract--which amounts to 14 million US dollars--after difficult negotiations during which it had to face stiff competition from the best known aircraft maintenance industries in Europe and the wider Mediterranean area: West Germany, Great Britain, Portugal, Spain, Italy, Israel, Turkey, etc.

The undertaking once again of this program--Mr. Fotilas pointed out--constitutes a recognition of EAV and a reward for the results it achieved during a similar program that had also been awarded to EAV.

The new program, in addition to the financial benefits and employment it ensures, established the EAV as the best maintenance unit for this type of power plant (J-79) because not only do the American Air Force, but the British as well, entrust their power plants to it. As Mr. Fotilas emphasized, "The quality of work provided by EAV for these power plants, which have a high priority for operational readiness, has been repeatedly recognized by the US Air Force."

The entrusting of this repair work--whose duration is for 5 years--is indicative of the new climate that prevails in the US-Greek relations as officials involved believe and they also attribute it to the negotiations for the offset benefits for the F-16.

Finally, it should be pointed out that the EAV recently undertook the modification and maintenance of NATO's guided missiles and radar, a fact which indicates that the firm has established itself on the same level as the most important international military materiel industries.

9731

CSO: 3521/252

MILITARY

GREECE

BRIEFS

PYRKAL AMMUNITION SALES QUESTIONED--ND Deputy I. Palaiokrassas is again bringing up the question of the order for 580,000 105-mm grenades by Iraq, which the government implemented by reducing the stocks of the Greek Army. Palaiokrassas is now accusing PYRKAL of importing from abroad large quantities of equipment that it is able to manufacture locally in order to satisfy existing orders, thus wasting precious foreign exchange. Palaiokrassas stressed that "from the productive industry that it was before, PYRKAL, following the brouhaha caused by the borrowing of ammunition from army stocks, has become today an international ammunition middleman with a difference: instead of deriving earnings from it, it is losing huge sums of money, which are paid by Greek taxpayers." The former minister of coordination's interpellation creates an important issue regarding the disposition, management and production of war materiel by the "nationalized" PYRKAL. The answer of the government is therefore awaited with great interest. [Text] [Athens I KATHIMERINI in Greek 27 Sep 86 p 1] /9599

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END

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West Europe Report

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POLITICAL

BELGIUM

DE CROO, KNOOPS SAID AT LOGGERHEADS OVER RESPONSIBILITIES

Brussels KNACK in Dutch 13 Aug 86 p 21

[Report by Karel Cambien: "Eleven Letters a week; Herman de Croo and Etienne Knoop Know About Relations Problems"]

[Text] The fact that not everything is hand in glove within the Martens VI Government, which outwardly presents a tight block, is proven by the growing discord between Minister of Foreign Trade Herman de Croo (PVV) and his secretary of state, Etienne Knoop (PRL).

Both belong to the same political family, but there is hardly any cooperation left between their offices. It is certainly not sure whether the De Croo-Knoop tandem will make it to the end of the year. Collaborators of both excellencies now spend almost as much time on mutual boycott campaigns as on export-promoting initiatives, a sad finding in a country which has to depend on its exports to a great extent.

The fact that a minister and the secretary of state under his jurisdiction are at odds with each other is really not anything new. The function of state secretary was included in the new constitution in 1970. The intention was to alleviate the minister's very heavy task a little by providing him with a collaborator, a secretary of state. If the latter considers himself to be treated too much like an errand boy, frustrations are bound to occur.

Hence the tendency to work on the expansion of one's authorities. For that matter, Etienne Knoop gallantly admits that: "Herman de Croo has both Foreign Trade and Transport under his jurisdiction. De Croo cannot do everything properly. Then I say: Let him map out the policy. I will take care of the supervision and execution of that policy. And then the minister should preferably no longer intervene, otherwise he won't respect the rules of the game. It's that simple."

From the beginning, Herman de Croo was not too happy with Knoop as secretary of state, but the language balance within the government made that appointment necessary. In an elaborate protocol of 19 December 1985 between the two of them, it was determined in detail who had to do what. A careful reading of this document informs us that De Croo directed practically all authorities

toward himself, and that Knoops was at most permitted to give some advice and, when necessary, would actively come to the minister's aid. The secretary of state could hardly be very happy with that.

A good 6 months later it appears that Knoops regularly abuses that protocol by silently continuing to expand his authorities. Knoops' tactics especially include attempting to present Herman de Croo and his office with accomplished facts. De Croo really had enough of that by the end of July and ordered his collaborators to systematically point out to him every breach of protocol. Those were followed up each time by a written reprimand to Knoops. In barely two weeks' time, De Croo sent as many as 22 letters. An aside: the two gentlemen hardly ever see each other.

Lately the Walloon liberal has been laying it on rather thick. On the 18th of July, for example, he sent, completely on his own initiative, a letter to Mark Servotte who is temporarily in charge of the management of the Belgian Service for Foreign Trade (BDBH). In it Knoops stated that he would from then on be carrying full responsibility for the "Minister of Foreign Trade's prize" and for the "Foreign Trade Oscars." That goes diametrically against the protocol of 19 December 1985 in which one reads: "The minister will be consulted before deciding on the granting of the Oscars and the selection and appointment of the laureates of the minister's prize. The minister will also preside over the ceremonies relative to that."

De Knoops' even goes much further. For example, Herman de Croo also carries the final responsibility for the Foreign Trade Fund, Copromex (the granting of interest subsidies) and the so-called State to State loans. Knoops has tried to act on his own on several occasions. The De Croo office indeed refers to "blood-curdling practices which have to be stopped once and forever."

The economic missions abroad also are a sore point. For example, Knoops likes to organize missions, including to Ecuador and Colombia, which don't fit at all in the framework of the action program 1986. For the month of September a BDBH mission is also planned to Malawi and Swaziland, for which Knoops promoted himself overnight to travel guide. At the beginning of September Martens will visit the Leipzig Trade Fair, but Knoops will likewise go to the German Democratic Republic, right after Martens' departure, to propagate Belgium. In Moscow, where De Croo will make a trip in the fall, Knoops also wants to organize a "follow-up visit", if need be.

Etienne Knoops has already traveled over 85,000 kilometers in just over 6 months, or over twice around the world, in order to find trade partners for Belgium. Whether that will succeed is another question. Herman de Croo has his doubts: "Yes, that indeed presents a problem. Knoops is not exactly a man who makes much of an impression. And I find that foreign countries urge more and more that I come myself, and not my secretary of state. That creates problems." On his part, Knoops does not see what everyone is making such a fuss about.

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POLITICAL

DENMARK

JORGENSEN IGNORES ISSUE OF SP TIE IN SPEECH TO SDP CONGRESS

Petersen: SDP Not Serious

Copenhagen BERLINGSKE TIDENDE in Danish 8 Sep 86 p 1

[Article by Carl Otto Brix and Ole Dall: "Social Democratic Party [SDP] - Socialist People's Party [SP] in Conflict Regarding Red Majority"]

[Text] The Social Democratic Party is not serious about working for an SDP-SP government, says Gert Petersen (SP). Mogens Lykketoft (SDP) hopes that the SP will be halved in the next election, and Anker Jørgensen (SDP) thinks that the SDP platform will be the basis for a red government.

"The Social Democratic Party is not taking sufficiently seriously the task of creating an SP-SDP government. Because of the party's behavior it is becoming more difficult to establish a red majority."

SP Chairman Gert Petersen says this to BERLINGSKE TIDENDE in light of the Social Democratic Party's annual congress and statements by prominent Social Democrats to BERLINGSKE TIDENDE.

The Social Democratic Party agreed during the weekend to continue to work for an SP-SDP government, but Anker Jørgensen and other prominent Social Democrats made no secret of the fact that an SP-SDP government's basis must be the SDP's platform, "Denmark for All the People."

"The SP has certainly always said that we have a good platform that they would like to help us pass. Thank you, we say," Anker Jørgensen said.

Mogens Lykketoft (SDP) says to BERLINGSKE TIDENDE that he wants an SP-SDP government, but he hopes "that the SP's support will come down to five to six percent. We are opponent parties. The SP has taken votes from us, and we must have them back," Lykketoft says.

Gert Petersen: "Lykketoft ought to abandon his dreamworld and base himself in the world of reality." The SP chairman adds that "a party with 15 percent of the votes cannot possibly govern on another party's platform."

SiD [Semi-Skilled Workers' Union] President Hardy Hansen yesterday maintained that the SP must not consider itself a natural for a possible government coalition with the SDP. Regarding the Social Democratic Party's leadership, Hardy Hansen said in his opening address to the SiD congress yesterday: "Anker Jørgensen is and will be our leader. And we will work for his comeback as prime minister."

Jørgensen Apologizes

Copenhagen BERLINGSKE TIDENDE in Danish 8 Sep 86 p 4

[Article: "Anker Jørgensen: 'I Talk About the SP All the Time'"]

[Text] The Social Democratic Party chairman apologized for the fact that he had not mentioned the SP with a single word in his opening address at the annual congress in Aalborg. However, Anker Jørgensen is hoping for and still believes in an SP-SDP majority.

Social Democratic Party Chairman Anker Jørgensen regretted much that in his opening address to the annual congress in Aalborg during the weekend he did not mention the Socialist People's Party with a single word.

"It is the SP I talk about all the time," he said when after the conclusion of the annual congress he had to explain the reason for the missing use of the letter combination.

At the end of his reply speech to the many contributions to the political debate, Anker Jørgensen said: "Other parties than our own are not the subject when we hold an annual congress. For this reason I did not mention the SP possibility so often, and the situation can also be first clarified after an election. But I believe in and am hoping for an SP-SDP majority. It must not be a closed majority but must turn out toward all progressive forces in the Folketing."

Anker Jørgensen also had a suggestion for the group's members regarding expressing themselves with "fairly good" unity when they say something.

"If we wear ourselves down in little divergences we are finished being a major party," he said.

The Social Democratic Party chairman said at a press conference after the annual congress that it is not a coalition with the SP that there is disagreement on in the group, and that he, for that matter, could not recall areas in which the group disagrees.

Auken Appeals for Unity

Copenhagen BERLINGSKE TIDENDE in Danish 8 Sep 86 p 4

[Article: "Svend Auken: 'We Must Fight for the Party, Not About It'"]

[Text] "Detrimental to talk about people and internal relations in the Social Democratic Party," Vice-Chairman Svend Auken said at the annual congress in Aalborg, and at the same time cautioned against "closedness" in an SP-SDP coalition.

"The great deal of talk about people and internal relations is only detrimental. We and the people are dead tired of it. Real Social Democrats want to have people of trust who will fight for the party and not about the party."

The Social Democratic Party's vice-chairman, Svend Auken, with these words urged internal solidarity in the party when he spoke yesterday at the SDP annual congress in Aalborg.

In light of Sunday's poor Gallup figures for the Social Democratic Party, Auken asserted, "that if the Social Democratic Party does not make progress then this country will not get a new government."

"The Social Democratic Party has put on work clothes to win the next general election," Svend Auken said, and regarding the style of an SDP-led government, he added:

"The big social problems require cooperation--not confrontation. It would be a fatal boner by a new Social-Democratic-led government if it copied the non-socialist government's closed style--only with the opposite sign. One stupidity must not be answered by a new stupidity. We must not revenge ourselves on industry because the non-socialists have kept out the labor movement. On the contrary, we must invite industry and all positive forces to take part in developing the new, free welfare society. We would like to have the SP as a partner in a new government, but the price must not be closedness and a predilection for narrow solutions."

Svend Auken attacked the present government strongly--and Foreign Affairs Minister Uffe Ellemann-Jensen (Liberal Party) got a special "nod":

"A lot can be said about Uffe, but with him we have finally gotten a politician it is possible to be cross about without having a bad conscience."

Auken maintained that the Social Democrats are not gloating over the fact that it is going badly with the balance of payments: "Nothing can be more incorrect. The non-socialists' lopsided chance-it policy toward settlement of the debt is a greater threat to a Social Democratic reform policy than to a non-socialist cutback and denationalization policy. For us the deficit is a disagreeable barrier to progress," the SDP vice-chairman said.

Union Leader on Alliance

Copenhagen BERLINGSKE TIDENDE in Danish 8 Sep 86 p 7

[Article by Berit Andersen: "SID President: SP Not a Natural in a New Government"]

[Text] Semi-Skilled Workers' Union President Hardy Hansen cautions the SP against believing that the party is a natural for a possible government coalition with the Social Democratic Party.

"The polls have provided an occasion for a great deal of discussion about letters, regarding whom the Social Democratic Party ought to go into a coalition with should the situation arise. I think it is much too early to get going with this letter game. What interests us is not the political letters but which policy is to be conducted."

With these words the president of the country's largest labor union, the Semi-Skilled Workers' Union (SiD), Hardy Hansen, asserted yesterday that the Socialist People's Party must not be considered a natural for a possible government coalition with the Social Democratic Party. The words came in Hardy Hansen's speech at the opening of the SiD's 41st congress. It is being held in Copenhagen and will last until 20 September.

Without directly inviting the non-labor parties to take part in an SDP government, and without actually rejecting an SP-SDP coalition, the union president stressed that such a thing could only come into question if the SP passes the manhood test, as he expressed it.

"This is a test which consists in being able to put one's back to an achievement-creating policy, although it is well known that everything cannot be carried out at once."

In his opening address to the 788 congress delegates Hardy Hansen also did his part to eliminate any doubt regarding the chairman's post in the Social Democratic Party.

"Anker Jørgensen is and will be our leader. And we will work for his comeback as prime minister," Hardy Hansen said.

Clear Backing for EC

Copenhagen BERLINGSKE TIDENDE in Danish 8 Sep 86 p 4

[Article: "Clear SDP Yes to EC"]

[Text] The Social Democratic Party's annual congress in Aalborg agreed, with corrections, to the statement on the EC alliance which had been occasioned by the Europe Report, which was prepared by a committee led by Vice-Chairman Birte Weiss. It is said in the statement, among other things, that Denmark is to work for more countries' being admitted to EC. "If the new Europe debate in Norway results in a desire for membership, it will be complied with on short notice."

Several of the speakers, among others, the party's chairman, declared in the debate that the People's Movement Against EC is dying, and that the European debate is to be taken up in a totally different manner.

Paper on SDP Dilemma

Copenhagen BERLINGSKE TIDENDE in Danish 8 Sep 86 p 12

[Editorial: "The Only Way?"]

[Text] The Social Democratic annual congress was opened by a party chairman who did not mention the Socialist People's Party, and it was concluded with the passing of a statement which heralds a government together with the Socialist People's Party. Anker Jørgensen and the Social Democratic Party thereby demonstrated the dilemma which the party has found itself in for so long. On the one hand it has for years been pressed by the Socialist People's Party, which has taken votes from it, and which time after time has been able to outdo it. On the other hand, it cannot say no to a government coalition with the Socialist People's Party--much less so because the Socialist People's Party's continued progress can give the Folketing a red majority. The Gallup political index confirms this dilemma. The Social Democratic Party has less support among the voters than in the last election, and the Socialist People's Party has considerably greater support.

There must surely be someone who is about to feel sorry for the Social Democrats. They would so much like to return to power in the government, and they know that they cannot manage this on their own. They must have help from others, and the only place they can get it with certainty is from Gert Petersen, who reminded about this a little importunately by sending a greeting to the annual congress. It goes without saying that this is painful to many Social Democrats who still imagine that the party can resume its historical position as a government-carrying party which stretches far among the people. Some of them have evidently been heading for murky plots in order to achieve the change in leadership which can be the precondition for finding a way back. On the other hand, others seem to think that the only possibility of restoring the party's leading position to it is a government in coalition with the Socialist People's Party.

Anker Jørgensen wants to be prime minister again. That his leadership is being accosted--and it is a fact, whether the conspirators have had their daggers drawn or kept them in their sheaths--is of course due to the fact that his return assumes continued progress for the Socialist People's Party. Those Social Democrats who are afraid of becoming much too red must for this reason think that there must be a new party chairman. Anker Jørgensen does not have anything against his replacement's being discussed, but he would be finished immediately if he drew any conclusion from this discussion. For this reason the annual congress had to pay homage to him, and for this reason it had to stand by the summer's promise of wanting to form a government with the Socialist People's Party. It has only this one path to follow and the unwilling will trudge along because they have to. Anker Jørgensen is blocking other paths. This will continue to create unrest in the Folketing group and in the party leadership. But Anker Jørgensen will find consolation in the fact that his old union has given him support. The SiD is helping him to hold down the boom.

SDP Cannot Accept Policies

Copenhagen BERLINGSKE TIDENDE in Danish 13 Sep 86 p 10

[Editorial: "Out of the Bag"]

[Text] There is no one who will buy the cat in the bag. The voters will not be able to say that they did not know the consequences if in the next general election they vote in such a way that there will be a majority for a red government. There is reason to express acknowledgement of the fact that the Socialist People's Party has informed the public in such detail about the policy such a government would conduct. None of the demands are ultimatums, the Socialist People's Party says; but, however, in a number of areas they must be perceived as indispensable conditions for such a government. The only thing the Socialist People's Party is relinquishing at the outset is the post of prime minister. It is only good that clarity has thus been created over what the Socialist People's Party wants--as an equal-rights partner in a government together with the Social Democratic Party.

If the public can thus be satisfied with having received straightforward information, the Social Democrats must, in return, have gotten twitches in their nerves when they read the Socialist People's Party's platform. The nervous twitching was reflected in Svend Auken's first comments. Anker Jørgensen certainly knows that his only possibility of becoming prime minister again is tied to his party's gaining a majority together with the Socialist People's Party. The continued more positive attitude at the party's top toward this alliance must be regarded as a recognition of the fact that it does not see any other way of returning to power in the government. Of course, this presumes some compromises, but for Anker Jørgensen they are to be on the basis of the Social Democratic Party's platform. But the Socialist People's Party is not leaving him in peace with his hopeful belief that he can become prime minister and leader of a majority government which can fulfill his expectations. The demands the Socialist People's Party has made must from the outset almost crush his optimism.

The Social Democrats cannot accept the Socialist People's Party's foreign and security policy. They must be filled with worry over how they will be able to live up to the Socialist People's Party's expectations for what is called economic and social restoration. And they must get the shivers about the ideas the Socialist People's Party is entertaining regarding involving grass-roots movements--and almost constant executive committee meetings--in the very decision-making process and in the exercising of administrative power. The Socialist People's Party is moving on the edge of undermining the constitution when they are heralding the transfer of the banjo bands from Copenhagen City Hall to Christiansborg as accompaniment for the government's and Folketing's work.

Anker Jørgensen has said that he does not want to talk about specifics before the election outcome is at hand. He has his platform which the voters must take a stand on, and the government can first be formed when the majority is in the bag. On the other hand, the Socialist People's Party has clearly

proclaimed what its goal is for a coalition government. Anker Jørgensen must tune himself into the fact that he has to provide a clear message in the face of this massive initiative. Will he pay this high price for his return?

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POLITICAL

DENMARK

SCHLUTER DEFENDS RECORD, WARNS AGAINST LEFTIST COALITION

Copenhagen AKTUELT in Danish 14 Sep 86 pp 18-19

[Interview with Prime Minister Poul Schluter by 'Grimme'; date and place not given; first paragraph is AKTUELT introduction]

[Excerpt] "If we ever have a Social Democratic-Socialist People's Party [SF] government, SF will become the big brother in the next election and the Social Democrats will have to take a back seat," the prime minister says.

Positive

[Question] The government has just celebrated its 4th birthday. Will it survive another year?

[Answer] I think that is very likely.

(Poul Schluter said this with both conviction and pleasure and continued his remarks with a friendly smile.)

Anker said in Alborg that the Social Democrats were holding their last congress there before the next Folketing election. If I may put it somewhat jokingly, I think Anker resorted to a strange way of canceling next year's congress.

[Question] What are you happiest about when you think back over your period as prime minister?

[Answer] If someone asked me what I regard as the government's greatest achievement from the point of view of the future, I would be tempted to reply that it is the EC program the Social Democrats discussed at their congress. The result of the referendum was very important for the government and for the country as a whole. And as a kind of bonus we see that the Social Democrats can also look ahead. I regard the calm that has descended over the EC debate as a very positive thing.

Standing in Line

And fortunately there are many other things that we in the government can feel pleased about. Let me just mention the sharp drop in youthful unemployment. I think this extremely important problem will be entirely solved in just 2 or 3 years. It will not be long before we have a sizable excess capacity in our educational systems.

In the near future employers will be standing in line in the school yards to make sure they can get apprentices and trainees. Youthful unemployment has been an enormous problem for a number of governments and it is a good thing for everyone that the problem can be solved in the space of a few years.

[Question] On which point are you most dissatisfied with the government's efforts?

[Answer] Unquestionably the balance of payments. When we started out we set ourselves two goals that we regarded as particularly important. One was to eliminate the very large deficit in state finances. We thought we could do that by 1990. And we have achieved this result now, 4 years ahead of schedule.

The other important economic goal was to create a foreign payments balance by 1988 and that target will not be met. We could probably do it but only at the cost of a sharp rise in unemployment and naturally we are not willing to pay that price. On the contrary, there are more people working today than ever before.

Dangerous for Democracy

[Question] Do you make rash statements seldom or often?

[Answer] Seldom.

[Question] Did you think it over carefully before you blasted the Federation of Trade Unions [LO], using words like narrow-minded, egocentric and reactionary?

[Answer] If I had said that about LO it would have been an unfair characterization. But I did not. I feel respect and appreciation for the natural tasks that the union movement handles.

A well-regulated society like Denmark is based to a large extent on having two responsible and capable adversaries on the labor market--who work together in society.

What I said in the speech you are referring to was directed against the organizational power structure. I was talking about the hundreds of organizations, interest groups, etc., etc., each skillfully protecting the interests of its own members without thinking of the total picture. They all

have a perfect right to do this, but if politicians first allow themselves to be intimidated it can be dangerous for democracy itself because society will more or less disintegrate.

Wage-Price Spiral

[Question] The government has said that it will not intervene in the contract negotiations. Do you realize that LO doubts this promise?

[Answer] No, I don't--and I don't think it really does either. Both LO and the Danish Employers' Federation [DA] will be unhappy if they don't take care of things themselves this time.

I can also put it another way. In my time as prime minister the government has only intervened once. I can give you the names of a good many Social Democratic prime ministers who each intervened several times.

And finally let me put it in yet another way. It is true of both Social Democratic and Conservative prime ministers that they should be extremely reluctant to try to legislate contract negotiations. It is always best if the two sides can and will resolve the problems themselves.

I think we will see a sensible contract settlement and one of the reasons is that the union leaders have also learned that real wages are better protected by preserving a low inflation rate than by allowing wages and prices to drive each other up.

Self-Destructive

[Question] What is your view of a future SDP-SF government?

[Answer] It is incomprehensible to me that the Social Democrats would really expose themselves voluntarily to the self-destruction such a government would represent for their party. The Social Democrats have a long and distinguished tradition, but if we ever have an SDP-SF government, SF will become the big brother in the next election and the Social Democrats will have to take a back seat.

[Question] Some people think the Social Democrats and the Conservatives should join forces to solve the problems they agree on. Will there ever be a Social Democratic-Conservative government coalition?

[Answer] In the near future, no! But of course that should not prevent us from working together on the things we agree about.

[Question] In a few days a new session of Folketing will begin and you have said that one of the government's most important goals is to promote saving and restrict consumption. How?

[Answer] Our generation of Danes has learned that it pays to go into debt. We are used to inflation eating away a large part of the debt burden. And

for many years we had a tax system that encouraged borrowing. Now we are headed in an entirely different direction. Delayed consumption will no longer be penalized and debt will not be rewarded.

For many years almost everyone has spent every cent he earned. It is easy to understand why those with the lowest incomes did this. They had to. But all the others have done the same thing and this has meant an enormous consumption, if not overconsumption. From 1983 to 1985 alone consumption rose by 12 percent.

[Question] The question of how to do something about this was not really answered.

[Answer] We will make it less tempting to borrow money unnecessarily and make it rewarding to save money and pay cash. I will not go any deeper into this today.

Problem of Poverty

[Question] Are you satisfied with the distribution that we have?

[Answer] By and large one can say that we in Denmark have a more even income distribution than is the case in almost any other country. We have relatively few rich people and relatively few poor people. Most working Danes belong at least to the middle class economically, compared to France and England, for example.

We still have the world's highest social standard, but that has not prevented a new problem of poverty from arising in the last decade.

There are groups that do not receive adequate help in spite of the many well-organized assistance systems we have. The number of people seeking cash assistance has declined but there are groups we do not help enough. I am thinking in particular of young people who have never worked or received any further education after they completed school. We must put a lot of effort into helping them in the years ahead.

Upper Limit

[Question] Let us look at another group that has an incredibly hard time--refugees. The government has been accused of making the refugee problem even more serious than it is already in order to create a basis for changes in the law.

[Answer] I have been and still am a warm supporter of taking care of our part of the big refugee problem. But if we want to treat the refugees we accept well and provide them with a proper education so they can move easily into Danish society there must be a natural upper limit to how many people we allow in.

[Question] How would you feel if you had definite proof that a refugee we turned away had later been executed in his homeland?

[Answer] Naturally I would feel rotten, terrible, but such things cannot be ruled out even if we do everything we can to help people whose lives are threatened for political or religious reasons.

Referendum

[Question] Allow me to move to another important area. What would you do if a popular referendum approved mandatory distribution of profits?

[Answer] If a majority favors mandatory distribution of profits through central funds I will hold a referendum on the matter, if I can get a majority to support such a referendum. Why would I do that? Because the opinion polls strongly suggest that the Danish people do not want mandatory distribution of profits through central funds.

[Question] I didn't say anything about central funds.

[Answer] I favor a voluntary arrangement and I hope such an arrangement can be set up quickly. I am opposed to a mandatory system that would not fit in well at most Danish job sites.

6578

CSO: 3613/2

POLITICAL

DENMARK

POLL SHOWS MAJORITY WANTS TO CUT FLOW OF REFUGEES

Copenhagen BERLINGSKE SONDAAG in Danish 14 Sep 86 p 4

[Article by Asger Schultz of the Gallup Institute]

[Text] Dislike of the many political refugees is increasing steadily. Since the beginning of 1985 the Gallup Institute has conducted three surveys to measure popular reaction to political refugees.

In these surveys we asked a representative selection of the adult population which included approximately 1,000 people the following question:

"There has long been discussion as to whether Denmark should place restrictions on the number of refugees. What is your opinion, do you think we should introduce restrictions on the admission of political refugees in relation to the current situation?"

The institute carried out its fourth survey in August 1986. The results of this latest survey are shown below along with the results of the three polls conducted in 1985. All answers are in percentages.

<u>Response</u>	<u>Jan 85</u>	<u>Aug 85</u>	<u>Oct 85</u>	<u>Aug 86</u>
Yes	63	51	60	76
No	28	37	28	17
Don't know	9	12	12	7
Total	100	100	100	100

As can be seen, the dislike of political refugees has grown to a very high level. More than three out of four Danes want the stream of refugees to be halted or at least restricted. In August 1985 the number who wanted to limit refugees fell to 51 percent under the influence of the unseemly riots in Kalundborg, but later the aversion has mounted strongly and steadily.

There is some variation in the way different population groups view political refugees, as we can see from the table on the next page.

<u>Breakdown of Responses</u>	<u>Yes</u>	<u>No</u>	<u>Don't know</u>	<u>Total</u>
Sex:				
All	76	17	7	100
Men	79	17	4	100
Women	74	17	9	100
Age:				
13-24	68	25	7	100
25-39	78	17	5	100
40-59	74	18	8	100
60 and older	84	10	6	100
Educational level:				
Basic education	84	9	7	100
Middle, secondary school	74	19	7	100
Higher education	56	41	3	100
Party affiliation:				
To right of Social Democrats	83	12	5	100
Social Democrats	84	13	3	100
To left of Social Democrats	63	35	2	100
Employment sector:				
Private	79	15	6	100
Public	67	26	7	100
Not employed	79	14	7	100

There is no significant difference between men and women. Younger people, especially the very young, are most tolerant. But a very big difference can be seen when we look at the academic education level of respondents.

As the table shows, tolerance as indicated by those who did not want restrictions rose pretty dramatically from 9 to 41 percent.

That is an amazing difference, even though an absolute majority (56 percent) of the most educated group still wanted the flow of refugees to be restricted.

Public employees are more tolerant than others and politically the line goes between the Social Democrats and nonsocialist voters on one side--they are in complete agreement on the question--and voters to the left of the Social Democrats on the other. These left-wing voters are considerably more tolerant than the rest of the electorate even though two-thirds (63 percent) of them do favor restrictions.

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POLITICAL

GREECE

RUMORS DENIED ABOUT RENEWED GOVERNMENT RESHUFFLING

Details of Forthcoming Reshuffle

Athens I KATHIMERINI in Greek 23 Sep 86 pp 1, 3

[Article by Andreas Zoulas: "Lazaris, Laliotis, in Papandreou's 'New' Plans]

[Text] The premier is contemplating a new, impressive maneuver by speeding up the reshuffling which, in spite of denials, is expected to take place in the first 10 days of November at the latest. Well-informed sources report that Papandreou is currently assessing the usefulness of speeding up reshuffling and to announce it even before the municipal elections on the condition that certain "delicate balances" in PASOK and in the government will be assured. By assessing the pros and cons Papandreou will determine whether to move on with the reshuffling now or after the elections.

Among the considerations favoring a reshuffling prior to the election are mainly two:

(a) The strengthening of the image the premier himself presented in Salonica--the image of a man who "dares" to act regardless of the political cost in the face of the election, and

(b) the reshuffling after the elections will inevitably be tied, by its very timing, to the unclear result of the election. Very likely it will then take on the dimension of regrouping rather than of a new beginning.

Against reshuffling now are the pre-election side effects and the minor or major reactions which inevitably are connected with every reshuffling. It is uncertain how the side effects will influence the broader pre-election behavior of the governing party.

According to reports, Papandreou is contemplating certain impressive changes within the narrow margins he has for making changes using "new faces."

It is noted that of 157 deputies PASOK elected in 1985, almost half (71 including Arsenis) have occupied some government post during the first or second 4-year term.

Surprises

According to the same reports--and regardless of the time reshuffling takes place--the premier plans certain spectacular transfers and reappointments of key persons:

1. Interior Minister Ag. Koutsogiorgas will be discreetly put in mothballs as a second vice premier, a position to be specifically created for this purpose.
2. Kostas Laliotis will come back to a government post. PASOK cadres are already moving in support of reactivating Laliotis in the party machinery. Something of the sort appears to be possible at this time, especially if Laliotis is appointed to a government post, thus he himself would revoke the reasons that made him, approximately a year ago, decide in favor of staying out of active politics.
3. Reactivation of Ap. Lazaris. Lazaris himself links such a prospect to the assumption of significant government responsibilities. It is known that Papandreu is contemplating creation of a Ministry of Planning for Lazaris. Other reports say that such a government "restructuring" will be tied to the transfer to the new ministry responsibilities which will be removed from the Ministries of National Economy, Premiership and Interior.

Chain Reactions

The chain reactions resulting from the creation of the new ministry are:

--Reduction of responsibilities for Simitis, but without causing damage to his prestige (with the removal of responsibilities) or to that of Lazaris (with the transfer of only insignificant responsibilities from the Ministry of National Economy).

--Reduction of responsibilities for Tsokhatzopoulos, especially those related to public administration. An indication in this direction--in spite of his recent statements--is that the bill on public administration (3-year testing period for civil servants, changes in hiring procedures based on "points", the so-called "Koutsogiorgas Law," etc.) is being put "on the shelf."

To offset this, according to the same reports, there is some thought to place radio TV under the jurisdiction of Tsokhatzopoulos in a new Secretariat. This is related to another "lost" bill concerning a unified agency for radio-TV (ERT), which contrary to statements by Papaioannou, is definitely being abandoned.

Return of Maroudas

Three more significant "moves" are expected with this reshuffling:

- a) A clarification of the strange situation which exists in the Ministry of Industry, Research and Technology. It is expected that Deputy Minister Vaso Papandreou will formally replace as well the current Minister Markos Natsinas.
- b) Replacement of ministers or deputy ministers (as the case may be) in ministries where the top men do not even meet...socially. A typical example mentioned is the Ministry of Transport and Communications.
- c) Replacing Papaioannou as deputy minister of press and as government spokesman. A most likely replacement once again is considered to be Dim. Maroudas while the name of Eurodeputy G. Romaos is mentioned less prominently.

As a result of a press report the government spokesman was asked yesterday about the fate of the bill for a unified agency for radio-TV (he had promised to introduce it to the legislature...last July). Papaioannou stated that the premier and himself had found it proper not to make it public before the elections. He admitted there was some delay in the committee drafting the bill beyond July. When 15 August came around it was decided not to submit it before the elections.

Responding to another question, Papaioannou categorically stated that the bill is in its final form and it will be submitted to the legislature after the elections without further changes.

The reality is entirely different. As KATHIMERINI wrote a month ago, the bill was "held up" by the premier's office. It is not going to move ahead, at least not in the form Papaioannou prepared.

Reshuffle Denied

Athens I KATHIMERINI in Greek 24 Sep 86 pp 1, 3

[Text] Categorically but not very convincingly the government made the traditional gesture of denying that a reshuffling is imminent! The government spokesman, after consulting the premier, termed KATHIMERINI's report yesterday as "imaginery" or as based "on bad informants." The strange thing is that the spokesman's denial did not include its most critical element, namely, that "the premier is not contemplating a reshuffling before or after the elections."

The spokesman's statement came only at the end of a long talk with the political reporters. At the same moment, Minister of Interior Ag. Koutsogiorgas--who is presumed to be slated for "mothballing" in the post of second vice premier--was much more cautious in his statements.

The statement of government spokesman Papaioannou to a question was: "Every so often the question of reshuffling comes to the surface. Until the next reshuffling, which will take place whenever the premier decides--and which is not immediately visible on the horizon--many reports will receive publicity. I will not confirm or deny any reports since basically they will be imaginery or based on bad informants."

KATHIMERINI makes this comment on the premier's statement--as presented by the government spokesman--and until facts prove otherwise: This is the first denial of a reshuffling where the premier appears to be uncertain whether the report is "imaginery" or "based on bad informants."

Not Visible, Etc.

A pile of questions followed the statement of the government spokesman. With his replies Papaioannou:

1. Did not clarify the meaning of "not visible on the horizon" for the reshuffling. He spoke of the premier's prerogative to go ahead with the reshuffling whenever he decides to do so (that is, before or after the municipal elections and until the beginning of November, as said in the "rejected" report).
2. Was not able to specify the "reasons" which account for the publication of related reports (he spoke of all kinds of reasons, i.e., the cause of problems to the government, increased circulation of a newspaper), but he said nothing on the most obvious, that is, that reshufflings take place all the time and that discussions and interactions are things which are always widely being discussed.
3. Was unable to identify those persons the premier consulted in previous reshufflings and failed to identify one case where a report for an impending reshuffling was confirmed.

The discussion closed with benign smiles which met the observation of a veteran political reporter: "The newsmen accept with equanimity denials on two instances: devaluation and reshuffling."

As for the rest, the value of denials by the government spokesman is well known. Only a few days ago he was giving assurances that it never went through...his mind to deny tax-free newsprint to Beis because of the pre-election period, while the Newsprint Committee...discussed precisely this subject and issued tax-free newsprint as the committee itself confirmed in writing.

Koutsogiorgas

Interior Minister Koutsogiorgas did not deny the possibility of being moved to the side! Replying to a journalist's question prompted by the

KATHIMERINI report (about the removal of Koutsogiorgas to the post of second vice premier) he said: "It is too early to speak of reshuffling."

"You mean the time will be more appropriate after the election," was the next question.

"I don't know. What I know and what I have said before is that this is the premier's responsibility," Koutsogiorgas responded.

Reshuffle's Winners, Losers Predicted

Athens TO VIMA in Greek 14 Sep 86 p 3

[Article by Nikh. Dimitriou: "Reshuffling in November"]

[Text] The next government reshuffling (the eighth) will have limited scope and be corrective, thus signifying no changes in the government's overall policy. It will be unaccompanied by spectacular changes and unsuitable for impressive analyses and conclusions. Mainly, it will deal with the transfer or replacement of five or six ministers and deputy ministers who, as Premier Andreas Papandreou commented, "are either tired or I think they are tired."

The government reshuffling is expected shortly after the fifth anniversary of PASOK's first electoral victory, specifically in early November. But there are also different assessments.

According to one of these, the premier does not do anything under pressure or expediency of publicity and for this reason the reshuffling is expected to take place next January after several reshuffling reports have been denied.

According to another assessment, nothing rules out a decision by the premier to go ahead with this limited reshuffling even before the first Sunday of the municipal election (12 October). The premier may reach such a decision in the next few weeks in order to show once again (as he is considered to have done in Salonica last Saturday in his speech on the state of the economy) that he does not have any political worries about the result of the municipal elections.

The new government reshuffle must be viewed in connection with that of last April, which did not feature any policy changes in certain sectors, any changes in the structure and operation of the cabinet, and did not signify the rise or fall from influence of certain "aspirants", groups, or trends.

Those who claimed at that time that the April reshuffling--because of the placement of Andonis Tritsis or Stefanos Tzoumakas in ministerial posts--signified the rising influence of the "party activists" or of the Left wing, were proven entirely wrong. In a long article on 27 April, TO VIMA discussed how overdrawn were those arguments, based as they were on isolated and unconnected cases.

TO VIMA underlined three main characteristics of the April reshuffling. The next reshuffling will be merely a continuation of that one.

First: The upgrading and appointment to ministerial posts of individuals closely connected to the premier's circle (the so-called "Kastri") or belonging to it, such as G. Katsifaras, And. Drosogiannis, Vas. Saranditis, Filippos Petsalnikos, Dim. Pitsioris, and Maria Kypriotaki.

Second: The keeping in strong government posts cadres who have been often accused, by circles of "party activists," of remaining in the "old partisan and simple anti-Right mentality of the Center Union" (Menios Koutsogiorgas, Evang. Giannopoulos, Melina Merkouri, Georgios Katsifaras, And. Drosogiannis, Stathis Alexandris and others).

Third: The appointment to ministerial posts of a number of young deputies (Khr. Fotiou, Th. Stathis, Vas. Saranditis, D. Pitsioris, D. Georgakopoulos, etc.) who are among the most capable and energetic young PASOK deputies.

What, then, are the problems the new reshuffling may solve?

There is a report that the premier considers the government's major problem to be mainly realization of work at the "level of daily change" and not so much at the level of new institutions and plans. If this is correct then the reshuffling is not going to be too broad, neither is there going to be a change in the appearance and functioning of the present government. The previous reshuffling left certain unfinished items related to persons and functions, as in the Ministries of Foreign Affairs and Communication.

Certain "operational difficulties" in the Ministry of Communications seem to have gotten worse since last April. In the Ministry of Education they have become less acute thanks to the "flexibility" shown by Petros Moralis; in the Ministry of Merchant Marine they became more acute; in the Ministry of National Economy they did not disappear; and in the Ministries of Agriculture and Interior they were minimized.

With regard to so-called conflicts between ministries, one should note that in certain cases reports reach the point of exaggeration. The relations of Minister of National Economy Kostas Simitis with the erstwhile "anti-Arsenis" Minister of Agriculture Giannis Pottakis are very good. Relations among political leaders in the Ministry of Industry have become more normal or do not go beyond the level of common "friction" as in the case of Minister of Finance Dim. Tsouolas with certain of his colleagues.

At the same time one should note the particularly careful way Giannis Kharalambopoulos is taking over more actively as Minister of Defense and less as vice premier. This gave the lie to bad prophecies concerning the reaction to be provoked by his appointment to the Ministry of Defense, or removal from the Ministry of Interior of supervision of services under the present Ministry of Public order.

But if these old and new "disfunctions" form one criterion for the next reshuffling, there are two more factors the premier is said to take into account.

One is that the number of ministries, which now stands at 48 ministers and deputy ministers, cannot go up, especially since this would be contrary to the old assurance for "a small and flexible" cabinet.

The other is that the number of non-parliamentary deputy ministers will not go up. These now number eight (Ath. Tsouras, Giannis Kapsis, Pan. Roumeliotis, Petros Moralis, Kostas Geitonas, Alkis Rousopoulos, Kon. Papanagiotou, and Giannos Papandoniou). Also, it is almost certain that the premier will not appoint any non-parliamentary individual to the post of a new minister, as he often did during the first 4-year term.

It is clear, then, that the so-called "reserves" will be sought in PASOK's parliamentary group.

First on the list of prospective ministers is the former Minister of Justice G. A. Mangakis who is considered by some people to be the most suitable person for the new Ministry of "Citizens' Protection." This ministry, which will deal with oppression of the citizenry by the bureaucracy, will be formed by taking away from the present Ministry of the Premier. The creation of this ministry will certainly mean--much more in practice--some reduction in the jurisdiction of Akis Tzokhatzopoulos who apparently disagreed--but only mildly--with its creation.

Former minister Apostolos Lazaris, who has gone twice so far through "restructuring", ties his cabinet return to creation of a Ministry of Planning (as PASOK had promised prior to the 1981 election) or to the creation of a coordinating Ministry of Public Administration which will combine the Ministries of Interior and Premiership. Lazaris has also tied his cabinet return with certain changes in the operation and functioning of the government machinery.

From among the former ministers, El. Veryvakis, Giannis Skoularikis and G. Moraitis are not likely to return to the cabinet. One exception is Anastasios Peponis, whose name is being discussed both with connection to the Ministry of Citizens' Protection and the Ministry of Merchant Marine.

By contrast, it is very likely that Nikos Akritidis (or Stelios Papathemelis) will be appointed to the Ministry of Northern Greece in the event it is found necessary to transfer the present Minister Giannis Papadopoulos. This transfer depends on the transfer of the present Minister of Health and Welfare Giorgos Gennimatas to the Ministry of Interior, which in turn depends on the promotion of Menios Koutsogiorgas to the post of vice premier.

Most changes and transfers will depend on whether Koutsogiorgas and Gennimatas are transferred and on the persons who will succeed them.

Two more changes being discussed are those of Deputy Minister to the Premier and government spokesman Miltiadis Papaioannou and Deputy Minister of Foreign Affairs Theodoros Pangalos. Maroudas' friends are certain of his return and limitation of Milt. Papaioannou to his duties as deputy minister to the premier in charge of public administration matters.

By contrast, friends of Papaioannou--who recently went through a period of severe insecurity--believe the reshuffling will not affect the present two-some (Papaioannou and Kourtis) of government representation.

The Minister of Transport, Giorgos Papadimitriou, says categorically, "I will not be replaced until I have completed my work," but few doubt that the end of his service as minister is near. His most likely successor is Deputy Minister Stefanos Tzoumakas.

In the Ministry of Foreign Affairs there is question regarding the position of Minister Karolos Papoulias. His disagreements with Theodoros Pangalos are considered to be suitable for settlement, either because they are due to Pangalos' "overactivity" as Papoulias' friends claim, or to misunderstandings as Pangalos' friends believe.

The question of transferring the services of the Greeks Abroad (and those of the Press Office) to the Foreign Ministry with a corresponding transfer of Deputy Minister Georgios Papandreou, continues to remain very unsettled and uncertain. Moreover, the idea does not seem to appeal to Papoulias.

The jurisdiction of Deputy Minister Takis Roumeliotis in the Ministry of National Economy will be redefined. On the other hand, if Deputy Minister of Athletics, Sifis Valyrakis, is replaced as it appears likely, either Georgios Perrakis or Kostas Aslanis will join the government.

It is also possible that this time once again tradition will be kept and at least one deputy minister in the Ministry of Agriculture and two or three deputy ministers in other economic ministries will be replaced. It is said that Premier A. Papandreou intends to utilize this time as deputy ministers parliamentary deputies/members of the Central Committee, mainly, Eirini Lambraki, K. Aslanis, Pav. Zakolikos, Kinom Koulouris, and other younger deputies such as G. Petsos, Petros Valvis, Dimos Papadimitriou, and Sefis Anastasakos. In this case, the opinion of Parliament President Giannis Alevras will be seriously taken into account.

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POLITICAL

GREECE

PAPANDREOU REPORTEDLY PLANS COOPERATION WITH FORMER ND MEMBERS

Athens EMBISTEVTIKO GRAMMA in Greek 3 Sep 86 pp 1, 2

[Excerpt] No matter how much Papandreou occupies himself with his beloved denials and declarations about "self reliance and consistency regarding strategic objectives," the fact remains that in the next elections he plans to cooperate with certain former ND cadres such as Giannis Boutos and Dionysis Livanos.

Relevant inclinations (if not definite agreements) do not provide--according to opposition newspapers--for assigning ministries to the two men, but for placing their names on the PASOK ballot. Specifically, Boutos' name will appear on the at-large ballot while that of Livanos on the ballot of the Athens first or second election district since their appearance on the PASOK ballot in their respective old election districts would cause many reactions.

From their point of view such deputies as Boutos, Livanos and Nantias do not exclude pre-election cooperation with PASOK, but only as "cooperating independent candidates." In any case, they presently prefer to be cautious since they have not severed all ties with ND just in case Mitsotais is replaced in the ND leadership.

With regard to linking persons like Varvitsiotis with "scenarios of cooperation" [with PASOK], this is an arbitrary interpretation because on the one hand Varvitsiotis wants to differentiate his position from that of Mitsotakis, and on the other because most of these positions (simple proportional [electoral system], government of national salvation, etc.) are absolutely contrary to Karamanlis' views and government practices as has been proved, moreover, by the Mikh. Liapis articles.

By way of conclusion, the most recent scenarios are mainly expressing PASOK intentions for the distant future and are being intentionally inflated, especially by the pro-communist press, in order to support the KKG view that "the two 'gladiators' not only follow the same line but also have common bi-partisan plans for the future." This concerns a completely formalistic and unrealistic view which has been repeatedly denied in the past, especially when it refers to total "future arrangements and acquiescing scenarios" and not to some maneuverings for particular PASOK benefits.

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CSO: 3521/13

POLITICAL

GREECE

PAPANDREOU'S SON VISITS DI.ANA MEETING

Athens EMBISTEVTIKO GRAMMA in Greek 24 Sep 86 p 3

[Text] G. Papandreou rendered a poor service to K. Stefanopoulos with his sudden visit to DI.ANA's youth festival. The visit was publicized with a front-page picture and critical comment by the newspaper, VRADYNI TIS KYRIAKIS. The visit had a worse reception in the strongly anti-government ELEFTHEROS TYPOS.

Since up to now (according to all current polls) all potential voters of DI.ANA come from the ranks of those who voted for ND in June 1985, any public demonstration of intentions for an approach between Stefanopoulos and PASOK is a dangerous ploy in an election period, especially when such intentions are displayed less than a month before the watershed election of October 12. In this election, the ticket supported by DI.ANA must exceed 3 percent if the party is to stay in business.

The last thing the party needs is to have courtesy visits by prominent members of the premier's family. It seems that Stefanopoulos himself understands this. For this reason he found it necessary to spend most of the time he had on TV, in the context of the youth festival, to reply to charges of rapprochement with PASOK.

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CSO: 3521/12

POLITICAL

GREECE

RESULTS OF POLL ON POLITICAL PREFERENCES

Athens EMBISTEVTIKO GRAMMA in Greek 18 Sep 86 pp 8, 9

[Text] EMBISTEVTIKO GRAMMA publishes exclusively a particularly interesting series of EMRB poll data taken in early summer in the Athens first [Election District] (sample of 1,300 persons). As is known, only extremely small data were published in ETHNOS and ELEVTHEROTYPIA which do not give but superficial information on the trends of public opinion.

Data already published in newspapers show that Beis leads with 33.2 percent compared to 30.1 for Evert (undecided not responding: 17.9 percent) while ND leads PASOK with 32.1 percent and 30.6 percent, respectively (undecided 18.2 percent). In the same election district in 1985 ND led PASOK by 4 percent (44.02 for ND, 39.77 percent for PASOK). The full data published by EMBISTEVTIKO GRAMMA reveal the following important results:

--At this moment, ND is regaining its 1985 voters and only 1 percent of the PASOK voters. Almost half of the undecided voters were PASOK followers in 1985. Therefore, ND's problem is that it loses more voters to the Democratic Renewal Party [DI.ANA] than it gains from PASOK.

--ND faces a large problem in the broader category of "liberals", 78 percent of whom (according to this poll) voted for it in 1985. Presently, 59.9 percent of the liberals say they would vote ND in the national elections, while 9.5 percent show a preference for DI.ANA and 17 percent are undecided. Also, 11.1 percent in this category prefer PASOK. By contrast, ND's backbone consists of "conservative" voters (88 percent). They constitute a smaller category than the liberals (see table).

Intention of Conservative and
Liberal Voters in National Elections

	% Conservative	% Liberals
PASOK	1.3	11.1
ND	88.1	59.9
DI.ANA	3.3	9.5
Undecided	4.0	17.0

On the basis of the distinction between "rightist", "far rightist," etc., ND begins to create problems for the "centrist-rightists"--the percentage

drops from 89.9 in 1985 to 73.3 Its appeal to the centrist area is decreasing --the undecided voters increase drastically (while PASOK's appeal to the centrists is also dropping).

More analytically, the appeal ND, PASOK and DI.ANA have in these categories is the following (if, that is, national elections were held):

	% Rightists	% Centrist-Rightists	% Centrists
PASOK	0.5	3.5	55.3
ND	89.4	73.2	13.6
DI.ANA	3.4	9.6	7.0
Undecided	3.9	12.1	21.6

Therefore, ND begins to gain a purer "Right" and "conservative" picture. DI.ANA is clearly moving toward the Left of the major opposition [ND].

--Evert, too, appears to have similar problems (deeper, moreover, than his party) as he gains 54.9 percent of the liberal voters and 65.2 percent (only) of the centrist-rightist ones. By contrast, G. Averof gains more centrists (9.5 percent) than from the party which supports him.

--The disappointment of Athenians with both the government and the major opposition is great. Satisfied with the government, 32.6 percent; disappointed, 60.9 percent. the corresponding percentages for the major opposition are: 29.7 percent and 61.7 percent in an election district where in 1985 ND surpassed PASOK by 4.0 percent. In 1985, ND and PASOK voters expressed their preferences for the government and opposition as follows:

	ND Voters (%)	PASOK Voters (%)
Satisfied with the government	7.4	73.7
Satisfied with the opposition	66.7	3.5
Dissatisfied with the government	85.8	22.4
Dissatisfied with the opposition	25.5	88.9

In 1985 then, more PASOK voters were satisfied with the government than ND voters with the major opposition.

--In the Athens First Election District the image of the two major party leaders is the following (we give the views of total voters and those of the critical category of undecided voters):

	Total Voters		Undecided	
	% Positive	% Negative	% Positive	% Negative
Mitsotakis, K.	37.5	46.7	35.2	34.1
Papandreou, A.	43.4	36.6	46.6	26.1

It is clear that Papandreou is leading Mitsotakis in popularity. ND must be concerned with Papandreou's very positive image among the undecided voters. We again remind our readers that these percentages concern an election district where ND "fared very well" in 1985. We also point out that conservatives see Mitsotakis in an extremely positive way.

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CSO: 3521/13

POLITICAL

GREECE

DIALOGUE WITH TURKEY GAINS GROUND

Athens EMBISTEVTIKO GRAMMA in Greek 24 Sep 86 p 5

[Text] The view which supports the need for a dialogue between Greece and Turkey is lately gaining ground. The following significant indications pointed in that direction:

--Mild criticism by the pro-government press on the meeting between ND Chairman K. Mitsotakis and Turkish Premier T. Ozal. This mild tone contrasts with the standard bad treatment the pro-government press has accorded K. Mitsotakis on such issues.

--The G. Massavetas article in KYRIAKATI KI ELEVTHEROTYPIA of September 21 which ended with: "...a diplomatic game means contact. We are waiting for third parties to persuade Turkey to remove its armies from Cyprus but the only ones who can persuade it to do so are Greece and Cyprus. And no one is persuaded without dialogue."

--The recent article by N. Dimos in TO VIMA on September 21 on the "neo-chauvinists", in which he wrote: "...it certainly does not help (Editor's note: the solution of our differences with Turkey) to call the Turks stupid, uncivilized barbarians...Of course, it is an easy (and cheap) way to get a round of applause, but the cultivation of hatred never led anywhere."

This change in climate in favor of a dialogue is not unrelated apparently to the intensive activity which is expected with regard to our national issues after the municipal elections. Such a mobility can bring actual results only if there is some understanding of the real problems from the Turkish side as well.

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CSO: 3521/12

POLITICAL

GREECE

BRIEFS

OBLIGATION ON TURKEY'S EEC ENTRANCE--The forthcoming meeting of the council for reactivating Turkish-EEC relations will again occasion debates on the proper Greek stand on this issue. We may, probably, have some national exuberances on the need for Turkey to stay out of the Community. It is, therefore, worth remembering the statement then Premier Karamanlis made on 16 June 1975, 4 months after Greece's official application for joining EEC: "Greece does not have nor will it have any objection to Turkey's entrance if, and when, it decides its conditions permit." This is a statement made in order to facilitate our negotiations for joining EEC and limits the possibility of maneuvering on the part of any Greek government on this issue. The Community works on the basis of a complex of mutual commitments and conditions and only in their framework can one pursue his objectives. [Text] [Athens EMBISTEVTIKO GRAMMA in Greek 3 Sep 86 p 2] 7520

USSR'S REPORTED PUBLISHING PLANS--Even though the Soviet's direct and indirect propaganda is admirably advanced by several Greek newspapers--mainly by four afternoon pro-government ones--it appears the Soviets want to take one more step in this direction. Thus, according to a reliable but unofficial Soviet source, a large Soviet publishing enterprise will soon be in operation in Greece. It will cover the book area and the possibility of its expanding into the video one is not ruled out. According to our reports, the immediate target of this Soviet effort will, at first, be to capture the academic and Greek church areas. In this framework, history books will be published showing that there exist strong racial bonds between Greeks and Russians, while other books will project the "freedoms" the Orthodox Church enjoys in the Soviet Union. In addition to the academic and church area publications, particular attention will be given to youth. But as of this moment we have no information as to the content of books for them. Finally, responsible for the whole afore-mentioned effort will be the Moscow correspondent of two Greek newspapers and his wife who is a Soviet subject. In any event, this matter is of great interest and since this new Soviet effort initiates new techniques of influencing public opinion, we shall return to this subject. [Text] [Athens EMBISTEVTIKO GRAMMA in Greek 3 Sep 86 p 5] 7520

CSO: 3521/13

POLITICAL

ICELAND

REACTION TO U.S. PAPER ON COUNTRY AS CHEMICAL WEAPONS TARGET

Reykjavik MORGUNBLADID in Icelandic 14 Jun 86 p 24

[Editorial: "Chemical Weapons and Iceland"]

[Text] Considerable debates about chemical weapons have been taking place during the past weeks because of the decision taken by the U.S. Government to resume production of chemical weapons after 17 years. According to a decision by the U.S. Congress, a stipulation for the appropriations for the production of chemical weapons was that the issue would be submitted to the Atlantic Alliance and its member states for approval. This was done in the usual manner, which is that the governments report to the Alliance what objectives they have set for defense preparations in the coming years. When the objectives of the U.S. Government were reported, including the chemical weapons, various governments declared, the Icelandic government was one of them, that they wanted to erase chemical weapons from all arsenals everywhere in the world, and that they would not allow them in their countries. The conclusion in the Atlantic Alliance forum was that the U.S. Government felt that the reaction it received fulfilled the stipulation set by the U.S. Congress for the appropriations.

The spokesmen for resuming the production of chemical weapons have deployed various means to support their case. It is well known that many methods are used under such circumstances, and the readers of MORGUNBLADID yesterday saw one such method when a report on chemical weapons which had been published on the front page of the WALL STREET JOURNAL last Thursday was published in the paper. In this article, Iceland is taken as an example of a place that might be the target of a chemical weapon attack. The fact that representatives of the U.S. Government or military specialists do especially mention Iceland in this connection does not at all give the correct picture of the debates about these matters, for example, in other places in the Nordic countries. The Swedish Civil Defense have, for example, set as their objective that all inhabitants of the country will be able to wear masks or clothing that are protective against chemical weapons. At the end of 1984, the Swedish Civil Defense had distributed 4.2 million masks and 600 thousand pieces of protective clothing for children.

From the news report in the WALL STREET JOURNAL it can be inferred that the article is written in order to express the view of those people who want the decision on the production of chemical weapons by the United States approved. It is stated in the article that the Soviet arsenal of chemical weapons is three to four times larger than that of the United States. The view of the authorities in Washington is reiterated, that is that this imbalance will lead to the fact that the Soviets will use chemical weapons rather than nuclear weapons where there is now a balance between the superpowers. If the Western states have only a limited amount of chemical weapons, they might be forced to resort to using nuclear weapons to curb a Soviet chemical weapons attack. It says further: "In Europe, the fear of war with chemical weapons is great and is obviously increasing."

It will be doubted here that the fear of war is increasing in Europe. It will, however, not be doubted that the Europeans feel that it is more likely now than before that the Soviets will use chemical weapons. As the example of the Swedish Civil Defense shows, people want to be prepared for every possibility. In a letter written by the Office of the Prime Minister, after Steingrímur Hermannsson became prime minister in 1983, to a committee that was working on revision of laws on civil defense, it comes forth that it was most likely that if the security system would fail, bomb attacks by conventional weapons would be made on Iceland, and then chemical weapons might be used. It can be seen from this that the WALL STREET JOURNAL is not needed to inform Icelanders about this danger.

As is stated in the aforementioned letter from the Office of the Prime Minister, the security system we have participated in creating with our membership in the Atlantic Alliance would have to fail before weapons would be used against Iceland and other nations. This is an important condition. The cooperation within the Atlantic Alliance has as its objective to secure peace for its member states. In order for this cooperation to bear fruit, each nation must provide its share; it also has the right to expect that its allies are not dragging it into a scare propaganda which is only deployed by those who feel that they are at a disadvantage. The article in THE WALL STREET JOURNAL is an example of such propaganda. In the end, it will be water on the mill of those who want to undermine the cooperation within the Atlantic Alliance.

It is felt that in the recent past it has been more common than before that U.S. authorities feel that they can do what they want in their relations with their allies without showing the consideration which alone creates a feasible atmosphere in the cooperation of sensitive issues. It is necessary to react against such a trend with all available measures. Anything else will bring the Kremlin ammunition and make it easier for them to reach the objective which they put at the top of their wish list: to divide and dominate in Europe after a wedge has been put between Western Europe and North America.

9583

CSO: 3626/37

POLITICAL

ICELAND

COLUMNIST VIEWS OPPOSITION TO NATO RESERVE BASE IN NORTH

Reykjavik MORGUNBLADID in Icelandic 14 Jun 86 p 9

[Commentary by 'Staksteinar:' "Why Does NATO Want a Base in Skagafjordur?"]

[Text] Reserve Airport

For several years there has been talk about the necessity of building a full service alternate airport in the northern part of the country. All those who are familiar with Icelandic aviation affairs are of the opinion that the building of a reserve airport is an urgent matter of interest and security. The attention is now mainly directed toward Saudarkrokur in this connection. TIMINN and THJODVILJINN have discussed the alternate airport in the past days and today, Staksteinar will touch upon these discussions.

Thorarinsson's Article

Thorarinn Thorarinsson, former editor of TIMINN and the Progressive Party's specialist in foreign affairs and security affairs, wrote an article in TIMINN on Wednesday under the headline "Why Does NATO Want a Base in Skagafjordur?" In his article, Thorarinsson is building on a written question which Karl Steinar Gudnason, member of parliament for the Social Democratic Party, put to Foreign Minister Matthias A. Mathiesen in the Althing this winter concerning the alternate airport. In the minister's answer it comes forth that the "Naval Command of the Atlantic Alliance" is interested in a reserve airport for the Keflavik Base; no formal discussions have taken place; the Naval Command wants to provide funds for a feasibility study; no ideas have emerged about a Defense Force Unit or a guard unit at the reserve airport.

Thorarinsson uses this as his basis to elaborate. He feels that the request by the Naval Command of the Atlantic Alliance should be viewed with that in mind that during Reagan's term in office, emphasis has been put on strengthening the U.S. Navy.

Thorarinsson also cites an article by John Ausland which was published in the Norwegian newspaper AFTENPOSTEN under the headline: Iceland, Unsinkable Carrier. Thorarinsson says that Ausland traces "how measures are being taken now, slowly but surely, to make the Keflavik Base a carrier." This is not stated anywhere in Ausland's article. On the other hand, he points out that during debates about whether to send U.S. carriers to the Norwegian Sea, it has become more obvious how important Iceland is as an unsinkable carrier. The

increasing interest shown by the United States and various other NATO states in Iceland can be traced to the NATO decision to demonstrate in black and white that the Alliance does not plan to cede the Norwegian Sea to the Soviets in case of conflict.

Thorarinsson's Conclusion

It should not come as any surprise to Thorarinn Thorarinsson that Iceland is compared to an unsinkable carrier. This has been done so often and by so many that it is too numerous to count. The conclusion which Thorarinsson draws at the end of his article is as follows: "Icelanders are hardly such children that they will imagine that such a project as a reserve airport for the Keflavik Airport will be left unprotected after it has been built." Then Thorarinsson starts inferring that Icelanders will not be told that the airport will have to be protected, and in fact that this involves an airport which gradually could serve the same role militarily as does the Keflavik Base...But this will not be said at the beginning but gradually implemented."

The most amazing part about Thorarinsson's article is that he seems in fact to look at Icelanders as children in defense and security matters. He acts as if this involves an issue which we are unable to evaluate and that others are able to trick us and deceive us. He also talks about the reserve airport in such a way that it is of no importance for any aviation but military aviation. He acts as if Icelanders do not have any independent security interests to guard, but that they are the puppets of the Atlantic Alliance which in turn is ruled by militarists in the United States. THJODVILJINN, of course, praises Thorarinsson's article in an editorial and says: "The older statesman of the Progressive Party, Thorarinn Thorarinsson, former editor and member of parliament, writes an important article in TIMINN about this plan of the United States...THJODVILJINN agrees totally with these words of Thorarinn Thorarinsson, former editor."

Iceland's Part

Under the leadership of Geir Hallgrimsson, steps have been taken in the Foreign Ministry to strengthen the position of Icelandic authorities to evaluate Icelandic security interests; of course, they are the ones who will decide when the reserve airport is evaluated militarily. On the other hand, it is the role of the Icelandic authorities to make a decision about this airport in view of aviation security. The time has come to do this and to take a position on the financing of the project.

Many years ago, before Reagan and Lehmann entered the picture, it was pointed out by Icelandic people that it was not advisable to leave a reserve airport totally unprotected in this country. When that was mentioned, tumult arose in the camp of Thorarinn Thorarinsson and his political colleagues. The purpose of Thorarinsson's writing now is probably to show that the Progressive Party and the People's Alliance still hold common views in security and defense matters; security and defense matters will not be a stumbling block if a leftist government comes into being.

9583

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POLITICAL

NETHERLANDS

KOMBRINK BEGINS DEBATE ON FUTURE COURSE OF LABOR PARTY

Rotterdam NRC HANDELSBLAD in Dutch 23 Aug 86 p 9

[Article by Frans Kok: "Kombrink Fires the Starting Shot"]

[Text] Of course it was bound to come. After the handsome victory--which proved to be a sterile one later on--of the PvdA on May 21, sooner or later the self-examination within the PvdA had to get started.

Shortly after the elections, attempts were already made in the party publication and elsewhere to explain the "victory defeat." The Lubbers effect, their own candidate who appeared to be worn out, the economic recovery, too little attention given by the PvdA to the middle groups, everything passed in review. However, hardly any doubt of their own premises could be noticed.

At the party assembly of May 31, the mood was also reasonably cheerful. Actually, nothing was the matter--Lubbers had by accident managed to grab two more seats, but next time it might be better. An investigation into the party's course was rejected as being superfluous; only the campaign and its results would be evaluated by a minor committee.

Party Chairman Van de Berg said so plainly: "No change in the political course; no program shift to the center." In other words, the course is right, that was not the problem. Den Uyl thought that something in particular had to be done about the image. Waving the red flag and singing the "International," folklore which the television news likes to broadcast, has served its turn as an advertisement message. "That is the socialist church. That is the domain of only 15 percent of the voters. The PvdA needs 40 percent," according to Den Uyl in the publication VOORWAARTS.

Member of the Chamber Kombrink has now belled the cat. In a substantial article in the publication of the Wiardi Beckman Foundation he analyzes the position and the ideological concept of his party and views them in connection with the causes of the disappointing results. The conclusion of this former originator of the New Left is rather devastating.

The positions and objectives of the PvdA are contradictory, Kombrink thinks. Sufficiently developed, new ideas are lacking. "Our position is neither

fish nor flesh." Kombrink even dares to very carefully doubt the effectiveness and with it, the correctness of the sacred cruise missile position.

Therefore, he advocates that the ideological positions of the PvdA be again thoroughly reviewed. He calls the protest of part of the party board against a thorough evaluation stupid and untenable. He fears that if the PvdA does not decide for a re-orientation quickly, it will be socially and politically isolated. "The PvdA is on the sideline for the moment, but that does not mean that the trade union movement also wants to be on the sideline. That movement will continue with the course it started, to also do business with a government of the Right. If we do not watch out, this will result in conflicts between potential allies," he warns. Briefly, "either you evaluate properly or you do not do it at all."

Kombrink mentions that the PvdA is left empty-handed in times of economic crisis and does not have an answer to all sorts of policy issues. The political identity can no longer be derived from further expansion of welfare facilities and income growth. If cutbacks have to come, then we will reluctantly adjust to financial measures which cannot be evaded, he writes. For an increase in the collective taxes or a decrease in income differences are no longer options. The PvdA ends up on the defensive and is running behind the developments. There is no real alternative, and therefore only attempts are made to undo part of the cuts proposed by the government.

The lowest point was the participation in the Van Agt cabinet II. Our main issue, a better fight against unemployment, also depended upon nonpolitical forces such as employers and employees, Kombrink says. But the resistance to our complicity in achieving the cuts was considerable, and the trade union movement was not yet as accommodating at that time as it is now. "Van Agt, who wanted to get rid of us right away, got some help from PvdA circles. Whereas in the sixties the complaint was voiced that the PvdA was only allowed to clear rubbish, the PvdA is not even allowed to do that now," is the bitter opinion.

A push to the Right is not the solution, nor is lessening the gap with the CDA. Kombrink agrees with his fellow chamber member De Vries that the PvdA should find its own answers to the new problems. But he thinks that if looking for its own answers results in lessening the gap with other parties in some respects, then that should not make us nervous.

The main issue, however, is whether it is possible to develop a new national model for the old ideal of equality. The equality model which the social democracy had in mind is falling apart, but the PvdA does not have any hold on the changes which occur in social relations. There is a vacuum, and it is high time that the PvdA considers those problems, he thinks.

The PvdA was always good at retrospective analysis. Involuntarily you ask yourself why Kombrink did not present his ideas half a year earlier. Maybe it could have helped some. It is also a bit disappointing that he himself does not make an attempt to formulate the beginning of an answer. The headline of his article reads: "Whither PvdA?" After reading it, it is not

clear which direction Kombrink wants to take. The absence of difficult, ideological terms and bombastic objectives is striking, however. His is somewhat pragmatic. More Kok's than Den Uyl's tone. However, a little more seems to be required in order to elicit an in-depth debate.

A short-term problem for which he does propose some sort of a solution is the cruise missile issue. According to Kombrink, the PvdA has to choose a new position now that a decision on deployment can only result from talks between the Soviet Union and the United States. If no agreement is reached between both countries, then that is mostly due to the attitude of the American Government, considering the present state of affairs. The Netherlands has to develop its own standard which the security policy has to meet, and it has to make no-deployment a sanction against the negative position of the United States, he writes.

"From such a position, we could start the offensive again. By sticking to a brief "no" we cannot exercise influence anymore," he says. The latter sentence is more interesting than the first one, especially as far as the internal debate (in so far as it exists) in the PvdA is concerned. It is the realistic recognition of the fact that the PvdA's "no" under any circumstances" has permanently lost its function. In its place, the PvdA has to start looking for something new. The question is whether this would be a Dutch threat of no employment if the United States takes too rigid a position in the eyes of the PvdA (as if it were not the West European countries themselves which asked the United States for deployment).

In any case, Kombrink has the courage to open the debate on this taboo, even though that does not mean that the spiritual heirs of the New Left will nominate him freeman of Steenwijk.

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POLITICAL

NETHERLANDS

PEACE MOVEMENT TO STRESS TIES WITH EAST EUROPE GROUPS

Rotterdam NRC HANDELSBLAD in Dutch 23 Aug 86 p 2

[Article by Frits Groeneveld: "One Hundred Meters in 10 Seconds Is a Bit Much for an Old Lady"]

[Text] The Dutch disease is no longer rampant. While the West German weekly magazine DER SPIEGEL reported in June of 1981 that all of northwestern Europe was hit by the "hollaendische Krankheit" [Dutch disease] and that, because of it, the peace movement in the FRG was continuously growing and had managed to spread its influence, the IKV [Interdenominational Peace Council] in the Netherlands was forced to come around 5 years later because the nine affiliated churches could not keep pace with it, and the Dutch disease had already created too many patients within the churches.

Now more than ever before, the IKV and the churches want to map out IKV policy together. And in order to somewhat neutralize the problems in the churches to which movements such as the Icto [Interdenominational Bilateral Disarmament Committee], the HBV [Reformed Council for Peace Issues] and the less religious SVP [Peace Politics Foundation] had made considerable contributions, a permanent council will probably be established in which IKV and the affiliated churches can frequently exchange ideas.

When such a council is established, the old IKV, which since 1977 managed to inspire millions of fellow countrymen (within and outside the churches) with the slogan "Rid the World of Nuclear Arms and Start with the Netherlands...", and filled others with as much horror because of so much "one-sidedness," will die. The IKV races on and on, the Reverend C.B. Roos, chairman of the Reformed Synod, reported in 1983 in the NRC HANDELSBLAD; and one year later he said again in HERVORMD NEDERLAND [Reformed Netherlands]: "One hundred meters in 10 seconds is a bit much for an old lady," referring to the churches, of course. The strange thing about the peace council was --according to Roos 3 years ago--that it turned things upside down. "The IKV originated in the churches; it was and is a council of and for the churches, but it started to become independent and look for support from other (non-religious) groups so that I had to read in the paper what was being discussed in the IKV--that should have been put on our table."

Broken Relationship

Roos, himself a fervent supporter of the anti-nuclear ideas for which the IKV went to war, finally proved to be right. The church leaders, shaken by what the IKV had brought about, put the council in its place; now, after the peace movement has lost its battle against the deployment of cruise missiles in Woensdrecht, they are trying to re-establish the broken relationship. Indeed, we made some mistakes, thinks Reverend J.E. van Veen, acting IKV chairman since Professor J. van Putten resigned at the beginning of this year because of insurmountable conflicts with Secretary Faber. "We operated too politically, became more or less separated from the churches and neglected the large middle group in society, the CDA voters, and did not treat them constructively enough. Our analysis of the nuclear arms problems was right. Nobody has really been able to dispute that. First the churches made it possible that that analysis, translated as it was into the well-known slogan which even now we will not drop, was discussed in the churches. That was all very well. But when after some time the IKV asked the churches to take their own positions, then it became difficult. Almost all of them reacted positively, but politics and gospel were seen too much as one in defining the positions, causing the judgments of synods and church leaders to get too much of an absolute character, and politicians were not able to do anything with them. And as far as those "slips" of Mient-Jan are concerned, those were aimed at leaving the option open to discuss our ideological politics."

East Europe

From now on the KIV does not only look to the churches again, but also is changing its course from cruise missiles to a possible dialogue between East and West. It is true that such a dialogue had always been on its list and attempts, not very successful ones, had already been made to achieve this; but now the peace council is really serious about it, and the church leaders (bishops and synod chairmen) have given their blessings. The main aim is to make contact with all sorts of groups, religious or otherwise, in East Europe in order to strengthen "civil cohabitation" in the East Bloc. "But the intention is not that those powers will get support aimed at undermining the governments in East Europe," according to IKV Chairman van Veen.

His opponents were quick to seize the opportunity again to explain that this policy is also no good. J.A. Hebly writes in the peace publication of the SVP that the churches have to stop involving the churches in the Soviet Union in activities related to international political problems. "The peace testimony of the Russian churches," according to Hebly, "has been determined by national politics. It sees peace as an extension of the establishment and consolidation of Leninist Marxism. In that frame of reference, peace work becomes an aspect of the international class struggle and the peace work of the churches also runs the danger of sharpening the contrasts in the world, of strengthening ideological bloc-forming and of encouraging aggressiveness towards the other, the 'imperialist', camp." Although he almost completely passed over the good individual church contacts between many Dutch and GDR communities, Hebly thinks that the churches should limit their contacts with East Europe to a purely spiritual-theological relationship. As if the

churches in the Netherlands, just like those in East Europe, part as they are of the international ecumenical movement, had not just come to the conclusion that theology and those politics have much, if not everything, to do with each other and that the separation propagated by Hebly has become impossible practically and in principle.

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SOCIAL

EUROPEAN AFFAIRS

EC STUDY SHOWS LITTLE POPULATION GROWTH IN EUROPE

Frankfurt FRANKFURTER ALLGEMEINE in German 23 Aug 86 p 2

[Article by Ho: "Population Stagnation in Europe—EC Study Says 'Young Work Force in Short Supply'"]

[Text] Population growth in EC countries has tended to stagnate for quite some time now and will remain unsatisfactory in coming years. This is the conclusion of a report by the EC economic and social committee about the demographic situation in Europe. The analysis points out that the average yearly growth in EC countries has been on the decline for the last 20 years with a bare 0.2 percent in 1983. The tendency toward a population stagnation can be observed more or less in every EC country and has various causes—some of great importance, such as a decrease in female fertility, a drop in migration, and a decrease in premature deaths which creates a rise in the ratio of elderly to the general population. The study's authors have projected population trends based on a 10-member community, and they point out that differences exist in the speed of population growth despite commonly accepted theories. Thus, while the FRG has experienced a drop in population since 1974, Great Britain, Belgium, Luxembourg and Italy are in a state of stagnation. France, the Netherlands and Greece, on the other hand, are blessed with an increasing population. Ireland, so the authors say, is experiencing the largest population increase with 1.6 percent, because the traditional exodus to the United States has ended and the fertility of Irish women is very high. As expected, the FRG together with Denmark, Luxembourg and the Netherlands ranks at the lower end of the "European fertility scale."

In 1983, the FRG had the lowest "fertility indicator" of all EC countries with an average of 1.32 children. This number ranked way below the population replacement threshold of slightly more than 2 children per woman, and is thus significant for reproductive behavior. The authors have generally found that since 1950, female fertility has dropped below the population replacement level almost everywhere in Europe. That had already been the case during the 1940's for the FRG, Italy, and presumably also for Great Britain and Denmark. Almost all EC countries lack enough daughters to replace their mothers. Here too, the authors have come upon certain differences among countries. While France has undergone hardly any decline in the number of firstborns, the FRG has been plagued by a "significant decline" because

numerous couples have chosen to remain childless (in 1954, 1 out of 5 women as compared to 1 out of 10 women in France). The authors conclude that families with many children are becoming increasingly rare throughout Europe.

A Retreat From the Family

As the authors address the reasons behind this population decline, they point out that the wide-spread turning away from the family has become a "way of life." Almost everywhere people marry less often and later in life; marriages seem to have become less permanent. The economic indicator for first marriages, which is calculated each year based on the couples' age, has suddenly dropped from values of around 1.0 to 0.5 (Denmark) and 0.6 (FRG). This is without precedence, claim the authors. Obviously marriage is losing its general, almost universal character, and has only retained its meaning for half of Europe's population. Given the continuation of this retreat from the family, an increasing share of younger women will remain single and give birth to fewer babies. In this context, it is important that women who are single or entertain "marriage-like" arrangements clearly have fewer children. Apart from the decrease in fertility, the authors mention reasons such as the decrease in mortality among younger people, increasing prosperity, and the high cost of education, as well as the liberalization of birth control and abortion.

The study also mentions that "our society lacks vision." EC countries enjoy a high standard of living, yet activities tied to intellectual or non-material gain wither away more and more. To prove their point, the authors recall the time immediately after WW II. Then, such external circumstances as low wages and housing shortages did not favor population growth; nevertheless, many couples were inspired by the vision of rebuilding their country and they decided to have children. The conclusion is that personal decisions and public opinion are decisively determined by economic issues as well as by moral factors, and especially by the element of solidarity. In assessing the economic repercussions of a persistently low birth rate, the study predicts an economy increasingly burdened by an aging population and a threat to the competitiveness of the national economy. The danger of a chronic shortage of young workers is already foreseeable.

With a clear reference to the success of French family policies, the study recommends very strongly an improved system of family compensation. Families with children should clearly enjoy more advantages than childless families. The guiding principle should be the achievement of greater fairness by assisting parents as much as possible in raising and educating their children. This goal could be reached by means of family assistance payments or by granting tax benefits. Family affairs ministers of EC countries should allot more time to look into population and family-related aspects of the EC, and they should also consult with their respective countries' family-oriented organizations. Unemployment is also mentioned as a reason for the decline in birth rates.

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SOCIAL

TURKEY

TWO SIDES OF GUESTWORKER ISSUE ANALYZED

Istanbul HURRIYET in Turkish 13 Jul 86 p 4

[Article by Ege Cansen]

[Text] A German Journalist, saddened by the sight of his countrymen treating foreigners badly, discusses the issue with his friends. He receives a counter-argument which says: "We don't treat foreigners badly; even if we do they behave in ways that deserve such treatment".

This German writer wants to investigate the matter at close hand. Assuming the identity of a Turk (the most populous foreign group in Germany) he starts combing German villages and towns. He concludes that his countrymen do indeed treat foreigners, the Turks in particular, badly. He also observes that this attitude largely stems from a widely prevalent prejudice existing among Germans.

He compiles his experiments into a book and calls it 'Those at the Very Bottom'. The primary message is to his countrymen: It is a shame that we treat the Turks in this way. Having caused so much pain for the Jews in World War II, and having committed the most horrendous and shameful genocide in history now we are treating the Turks badly. That is despite the fact that we had invited them in the first place, and they have been trying to live amongst us. This does not befit people like us. Let us have more mercy and conscience, and refrain from oppressing these people so much.

Turks in Germany and those of us at home applaud all this saying "God bless German Ali! He must be quite a man writing the truth so fearlessly", and regard him as one of our own. Does the story end there? No. In actual fact, German Ali sends us a message as well: Brothers and comrades, it pains me to see your situation here. There are many classes of people here in Germany. Starting from the highest level

Germans to the lowest level foreigners there are perhaps five or six classes of people. And you are at the very bottom of this ladder. But you don't deserve this. Get a hold of yourself, get your act together, and rise up from your present situation.

Our overseas workers are in a complete dilemma. They are struggling within the "guest worker" trap set by the Germans. As if this was not enough we continually try to convince them that they are "guests" and that they will return home one day. By doing this we trying our best to prevent them from being westernised.

What should we do?

1) We should declare open war against the word "guest" and convince Turks living in Germany and in other west European countries that they are not guests but, in fact, "owners of the house". In any case no one will stop them from leaving if some of them choose to.

2) When they finally conclude that they are indeed "owners of their house" they will increase their awareness of German practices in general living, eating and drinking, clothing, furnishing, relations between parents and children, women's and men's rights, quietness, keeping the neighborhood clean, social responsibility, acquisition of skills, learning languages, participation in local politics, and joining in the sorrows and joys of the country and so on. And by their positive and tolerant attitudes they will influence their immediate circles and convince the public at large that they should not be there right at the bottom.

3) Ancient Turkish virtues of bravery, honesty, hard work, being respectful of one's elders, attaching great importance to friendship, justice, and the Islamic virtues of accepting one's lot, patience, sensibility, submission to God's will, and deriving power from one's faith are perfectly compatible with being "owner of the house" in Germany.

During these times when the door of the Common Market seems ajar and, as a country, we are thinking of opening to the world, advising our kinsmen abroad to withdraw unto themselves and engage in practices that further isolate them from society would be doing them a great disservice.

12466
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SOCIAL

TURKEY

NEW LEADER OF UNION OF CHAMBERS INTERVIEWED

Istanbul MILLIYET in Turkish 13 Jul 86 p 4

[Interview with Ali Coskun, newly-elected president of Turkish Union of Chambers, by correspondent Yener Susoy; in Ankara, date not given]

[Text] If you want to know the truth the Turkish Union of Chambers has found just the leader it needs. Ali Coskun has ten skills in each of his ten fingers. From theater to poetry, from Turkish choral music to radio announcer, from journalism to student union president, you name it he has got it.

Ali Coskun is from Egin. When he tells me this his eyes shine. His father is of the 'ulama' of Egin. Born in 1939, in the Baspinar county of Egin, Coskun attended primary and secondary school in Ankara. He graduated from the Yildiz Engineering School (Electrical) in Istanbul then he attending the M.B.A. program in Istanbul University.

Coskun's business career starts in the 1960's. On a Sumerbank scholarship during his student days, he starts working there upon graduation. Moves to Canakkale Seramik (jointly owned by Etibank) and gradually reaches the top. Opens an engineering consulting firm called El - Mak. In 1968 we find him at Kale Makine and Kalip Sanayii, in charge of both projects. He is partner in both firms, sits on the board of directors, is a favorite of Ibrahim Bodur.

An extremely smart man, in his factory the mosque sits side by side with the computer. We thought that here is a man whom we should get to know better. We listen with our eyes wide-open to Ali Coskun - schoolmate of Bedrettin Dalan, Ali Topuz, Mehmet Yazar, Vehbi Dincerler.

Bodur's Man

[Question] Mr. Coskun, you have just been elected as president of Turkish Union of Chambers after hotly contested elections. The candidates represented diverse political views. How did you manage to establish the balance among the various slates?

[Answer] It looked as if there was a three-cornered fight. Some slates were alleged to be dominated by political organisations. When I introduced my list these allegations disappeared. In the end, the Union of Chambers has shown a unity worthy of its name.

[Question] How did you manage to establish this unity?

[Answer] When we were putting together our list of candidates we wanted to establish equal representation among regions, chambers, exchanges. There was also the feeling that the Union should not be allowed to be captured by the holding companies. Whether this view was justified or not I don't want to enter into that right now. But if such a reaction has taken root among the people of Anatolia, if such an image has taken hold, it might be necessary to correct the errors made by the holdings.

[Question] Do you mean to say that Anatolia has now established dominance in the Union?

[Answer] Yes, one can say that the control of the Union rests more with Anatolia and the smaller chambers. It certainly is not an administration under the control of the holdings.

[Question] There are people who say that you are nothing more than Ibrahim Bodur's 'man' or even his 'employee'. There are others who, pointing to the closeness between Bodur and Demirel, maintain that you are a Demirel supporter. Would you be upset if I ask whose man you are?

[Answer] It is difficult to figure out why there is no criticism when a certain businessman's son is brought to a position, but I get criticized for my closeness to Ibrahim Bodur. He calls me his 'spiritual brother' and I call him my 'spiritual elder brother'. I don't take too much note of what is being said. These are not the kind of thing worth getting excited about. Even those who spread these stories do not have control over the end result. Some people thought that certain newspaper stories about me would be damaging. On the contrary they proved favorable in the end. I am not a man of any group, any party, I am a man of the nation.

[Question] What was it that proved favorable?

[Answer] That I don't go to night clubs and so on. There may have been those thinking how far removed I am from "high society". But overall I received thousands of telegrams.

[Question] What do they say in those telegrams?

[Answer] They say for instance: "You are one of us. May God help you continue your services! We are proud of you. You are the son of a custodian of the state, therefore you would serve the interests of the state much better. Let others live it up with glasses in their hand, you are the one serving the nation." I am the son of a public employee with roots in the village. I have always been proud of it.

[Question] You represent the businessmen of Turkey. And you don't have a night life, as far as we know.

[Answer] I don't enjoy night life. The artificial behaviour, the urge to be seen at certain places is contrary to my nature. I subscribe to the philosophy that work is a form of worship. It is my belief that I live to be useful to myself, my family and my nation. I see night life as a waste of time. If it is a gathering of friends, an engagement, a wedding then we will go. That's all. I am not someone who has to be on display all the time, I am not interested in showing off. Who the night-lifers are is quite well-known. Those who flaunt their ill-gotten gains in night clubs - I don't consider them as representatives of Turkish private business.

[Question] It looks as if your religious beliefs influence you. You wear your wedding ring on your right hand, there is Islamic calligraphy on the walls. Do you take it to the point of conservative dogmatism?

[Answer] If you try to learn what the essence of Islam really is you will soon find out that religion does not have to be considered conservative. I will give you a quote from the Prophet: "Science is the food of the faithful, take it wherever it is found." Thus Islam is not opposed to progress and science. The fault lies not with Islam but with some people. The whole thing has been totally misinterpreted. Our father has tried to teach us the essence of Islam.

Who Is a Conservative?

[Question] I asked whether you were a traditionalist, that is, a conservative. Or let me ask you whom we should call a dogmatic reactionary?

[Answer] Excuse me but I am an engineer not a social scientist. I can only say this. Religion is something between the individual and God, it is a question of conscience. There is no imposition in religion. I have never mixed religion with business. Religion is something my family and myself owe to our conscience. Since you are insisting let me tell you what I understand by conservatism. If someone does not respect the other side and oppresses it because of his belief in certain ideas, that is conservatism. Conservatism exists where oppression is found.

[Question] Certain young ladies in the universities are quite insistent on wearing headscarf. Are you sympathetic toward that?

[Answer] Everyone should be free to live as he/she wishes so long as it does not disturb anyone. There shouldn't be any oppression. But this is not my field at all, we have been digressing.

[Question] Not to worry, we can always return to the main topic. Lets continue now that we are talking. Are you for or against the wearing of headscarf?

[Answer] Let me say this. If someone wants to cover one's head in a decent way without annoying anyone and not using it as a political symbol, we should respect it. As we do not have the right to interfere with others just because they wear different things I do not think it proper to interfere with people covering their heads.

[Question] Is there a danger of an organized religious reaction in Turkey?

[Answer] Lets not take headgear and religious reaction in the same breadth. If what we mean by reaction is something that might constrain progress we are all against it. Therefore in our schools we should explain to the new generations the real aspect of our history, and the real meaning of religion, without any imposition and in a scientific manner so that everyone would be able to believe in them, as it is done by the state today. I think this would be the best prescription. If this is not done by the state then some irresponsible people on the streets and politically motivated individuals or countries may enter the scene. They may misinform and influence our people. I don't think they can constitute a danger in a great country like Turkey. But we have to be sensitive to the signs of danger regardless of whether it is the extreme left or the extreme right; so long as we approach the subject in a scientific manner and apply rational criteria.

[Question] I was going to ask earlier but it was lost in the discussion. Does your wife Ayten wear headscarf?

[Answer] My wife went on pilgrimage to Mecca last year. Now she wears Turkish-designed headscarves in a manner that accords with the rest of her clothing, without any adverse impact on her overall appearance. She was not wearing headscarf before the pilgrimage. As to my daughter, she doesn't wear it, as you can see. Since you were going to ask anyway I thought I might as well tell you.

[Question] How do you get along with alcohol, cigarettes?

[Answer] I never tasted alcohol in my life. I couldn't get used to cigarettes. If I feel in a good mood in a friendly gathering then I might take a puff or two. You may find it strange but I have no addiction other than work.

[Question] Do you abstain from alcohol because religion forbids it?

[Answer] Well, I don't like alcohol to start with, and also because it is forbidden by religion and because it is harmful to one's health.

[Question] Do you pray?

[Answer] Yes, but not because I wish to display my devoutness or to gain the approval of some religiously-minded group. I do it with faith, to offer my gratitude to God. I try to pray five times a day when possible.

[Question] One ought to congratulate you, in such a tight schedule . . .

[Answer] Prayer is a source of moral renewal for me, enabling me to relax among my concerns. The only time I manage to devote entirely to myself is prayer.

[Question] Have you been able to raise your children in the same way?

[Answer] I have given them the broad fundamentals. I have never tried to impose anything on them. Whatever happens after this is up to them and their conscience.

[Question] What kind of music do you like and which singers?

[Answer] I like music. I sang with the chorus when I was at the university. I joined in the chorus work of Laika Karabey as well as Dr. Nevzat Atlig. I have done it to satisfy my

taste in music and to acquire some familiarity. I like Turkish music. And the voices of Inci Cayirli and Ahmet Ozhan.

[Question] Which musical key do you prefer?

[Answer] Huzzam, hicaz, nihavent . . .

[Question] Is there a song which evokes memories?

[Answer] There are so many of them. It has changed in every period of my life. During my student days it was Ekrem Guyer's 'Nothing can ever make me forget you even if I have been forgotten' . . . Then it was 'Separation is so hard, being forgotten so painful' . . . The works of Selahattin Pinar, Dede Efendi have all had an impact upon me.

[Question] Which branches of the fine arts interest you?

[Answer] I like theater very much. In my youth, and then during my reserve officer training in Balikesir I was involved with theater. I acted on stage, directed plays. My favourite among them is 'Stalag 17'. When I have time I still follow the theater. I also used to write poetry, but strictly within the family. My mother used to express her feelings in sonnet form, perhaps she has passed it on to me.

[Question] Are you interested in politics? Will it be your turn after Erbakan and Yazar?

[Answer] Politics is an honorable way of serving the nation. But speaking for the Union of Chambers, our way of service is not through politics. I never think of politics.

[Question] Do you watch TV, video?

[Answer] I don't have the time. If there is a good program on TV my wife, who knows the things I like, makes me sit in front of the screen and relax. As a family we are not video people. We do have a VCR. However, we do not pass our time imprisoned in front of the machine. We can find other things to do in the house as a family.

[Question] I wish you tell us what those things are. We may want to try them as well.

[Answer] We read, for example. We prefer reading to watching the video.

[Question] What is the title of the book you are presently reading?

[Answer] I am reading a book about Islamic economy. I don't recall the author's name.

[Question] Do you read the Quran and can you recite it?

[Answer] No I can't recite but I do read the Holy Quran.

On Usury

[Question] What is the meaning of richness in your estimation?

[Answer] Lets engage in philosophy if you like. For me being rich is to be able to maintain one's dignity in life. Rightful gain is forbidden by neither our beliefs nor by the state. In fact in Islam wealth is designated as an objective target. One of Islam's five conditions is zekat(charity) and the other is pilgrimage to Mecca. Both depend on being wealthy. You can give zekat if you are rich, and you can travel to Mecca if you are rich. Moreover, to be beneficial to society you have to earn. I view wealth as a goal for everybody. That includes both spiritual richness and material richness. But the latter should stem from rightful gain.

[Question] Charging interest is forbidden in Islam. Can you also abide by that?

[Answer] You are always pulling me towards religious matters. A faith is a whole. If we believe in the Holy Quran, and that it is the commandment of God, and that the book says interest is not sanctioned by Islam, then that's it. If you say, 'interest is sanctioned' by Islam then you would be denying the validity of one of its elements. Your faith would be somewhat eroded. I personally consider interest as haram (harmful). Nevertheless it is a mechanism within the economic model. But with interest rates being as high as they are it is hardly possible to make sound investments in Turkey.

[Question] Who has the clout in your house? Can your wife or the children express their views?

[Answer] Well, we cannot break away from our customs. In our home the head of the family is the father. But all decisions are made after everyone is consulted. We have a democratic system in our home which is a legacy of my father. Even our children are consulted in making a decision. But the final word is mine. But, in my 25 years of marriage, the final word has never been uttered as an order.

[Question] How did you first step into commercial life?

[Answer] Selling newspapers. When I was at primary school

(2nd and 3rd grade) I used to deliver papers to homes and also sell on the street. In those days papers used to be printed in Istanbul and arrive in Ankara at 4 pm. The Kizilay district was mine. I used to distribute the papers to subscribers and sell the surplus on the street. My first profit was 50 kurus. They used to give 1 Kurus for each paper. I had sold 50 papers.

Sporting Life

[Question] Have you done any sports, are you doing anything now?

[Answer] I used to box when I was a student. It lasted about six months. Our trainer was Orhan Tus in those days. He was the national champion. He would treat us with kid gloves just so that we gain some experience. It must have been youthful exuberance and I hit him several times before he sent a volley back to me. To give me a lesson I think. I only recall hurtling through the air and embracing the steps. There was blood all over me. I subsequently quit the boxing team. I played table tennis at the university. I still play with my wife, my daughter and friends. When I find the time I walk and swim. Never had the opportunity this year.

[Question] The Union of Chambers has been given the function of offering advice and direction to the government in the making of economic policy. As president how do you view the economic situation? What are the main worries of the businessmen these days?

[Answer] One should not compromise after certain decisions are made. Had the tight money policy been pursued with determination the situation may have been different now. There have been cost reevaluations as well. The main items currently are inflation and the budget deficit. It is also important to ensure the sound functioning of the stock market. Relations between the banks and the credit market should be rationalized. In the absence of a stock market the Treasury has been resorting to issues of high - interest bonds with increasing frequency. These situations cause considerable inconvenience. We must see to it that the people continue to breathe and are not choked, and the economy is managed in a balanced manner.

Middle Classes

[Question] Can it be said that the businessman has a hard time breathing?

[Answer] Of course the businessman has troubles. The demand

side shows positive developments but there are payment difficulties. The amount of protested bills have increased significantly. The risks for the workplace are also on the increase. If these risks are allowed to get larger we fear that further payment difficulties might bring dangers to the economy. Currently the market is full of payment difficulties.

[Question] How do you see the situation of the workers, public employees and middle classes in general? Should wages and salaries be increased or is the situation satisfactory?

[Answer] The big problem in Turkey has always been at these levels - public employees on fixed-incomes, workers. It is absolutely necessary to raise their standard of living. I have always been in favor of a balanced increase in incomes based on productivity, I still am. Incomes should allow people to maintain decent standards of living. It is also necessary to substantially lower the taxation of public employees and workers in line with the concept of fair income distribution. I would like to see further decreases in automatic payroll deductions. We should adopt a system where most taxes are indirect, in the form of sales taxes.

[Question] The 'money in circulation' figures give the impression that there is a cash shortage. How do you explain this?

[Answer] Yes, you are right. It looks as if we have not been able to maintain our payments in balance and in line with the rise in demand.

[Question] There are some who maintain that we have a foreign exchange bottleneck.

[Answer] Yes, through our chambers we are investigating this. The delays in transfers are increasing due to individual practices of some banks. In our investigations and meetings we have observed the continuation of these practices. The situation runs counter to the government's economic policy. Rumors of transfer problems might lead to difficulties - simply by affecting market psychology - even though the foreign currency problem is resolved. We asked government officials to take urgent and effective measures on this issue. There is foreign currency in the vaults of the banks but they are not doing the transfers.

[Question] Lets go back to your private life. Do you know how to cook?

[Answer] Unfortunately not. But if all the materials were

ready I can do a good barbecue. My wife prepares the meat, the ground beef, the children and myself arrange the grill, I do the rest.

[Question] It looks as if you are quite good as the head of household. Were there no affairs of the heart in your youth?

[Answer] How could it be? I met my wife when I was 17. We are related as well.

[Question] What kind of relation?

[Answer] Our grandparents were brothers and sisters, from my father's side. But the marriage was not arranged. We started corresponding at a certain point. Started with doing homework together, turned into love later on. We were engaged when I was still a student, waited three years and got married upon graduation. As someone who has been together with his mate, one way or the other, since he was 17 there has been no affairs to cause any disruption in my life.

[Question] Do you still keep the love letters?

[Answer] We keep them but after we got married the letters were put together, hers and mine. They are all in a large envelope.

[Question] I don't want to cause any misunderstanding but, as you well know yourself, it is said that "one should be wary of people coming from one of three places - Egin, Gurun, Darende." You are from Egin. Should we be wary of you?

[Answer] That is invented by those who are jealous of us. Originally it was "not everyone can come from three places" but the jealous types later subverted it into "one should be wary." Since Ottoman times Eginians have been entrusted with the most secret affairs of the state as reliable public servants. It is in this connection that Egin was designated as commissioner in charge of coal by Sultan Selim I, and as commissioner in charge of meat by Murat IV. Since those times Eginians have worked as coalmen or butchers. Egin is a town of culture. It was in Egin that Anatolian silk manufacture was initiated. Our seedless raspberry is famous. Silk carpet weaving has also started in Egin. But it is no more, we have now become workers abroad.

[Question] Thank you.

12466
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ECONOMIC

GREECE

LIBYA SEEN FAVORING TURKEY OVER GREECE

Athens EMBISTEVTIKO GRAMMA in Greek 24 Sep 86 p 8

[Text] It is probably high time to test our country's friendships in all directions and to apply the premier's challenge, "let us judge our friends..." so that all declarations of friendship from and to all directions will not remain "empty words."

We refer to Libya, where the second in command, Col. Jaloud, "has supported us, tried us and approved us." But nothing beyond words of support. And something else: While support is promised to us it is given to someone else. And not only that. While Libya's friendship with Greece is expressed in the form of embraces, economic goods go to our neighbor Turkey (the pro-American axis of Ankara-Tel Aviv of contemporary Greek mythology).

As told by the founder and vice president of the Turkish Contractors Association in Libya, Ozer Oltsmen, in the magazine MIDDLE EAST CONSTRUCTION (June 1986 issue), the Libyans like the Turks and prefer them to all other foreign contractors. This is confirmed by the fact that many housing projects were assigned to Turkish companies without international bidding.

Turkish companies like to work on projects in Libya. The attitude of the inhabitants is friendly towards the Turks.

This happens when the Libyan market of public projects is the biggest and most important for Turkish construction companies during this crisis period of the oil exporting countries, which include Libya. The companies operating in Libya increased from 13 in 1978 to 68 in 1981 and to 105 in 1983. Since then the number remains steady.

During the same period corresponding Greek activity in the country of "brother" Qadhdhafi went downhill to the point of non-existence today.

Libya's debts to Greek companies are still unpaid, while some solution has been found to those owed to Turkish companies. According to the same article, Oltsmen and Zekeriyia Gilindir, deputy governor of Turkey's Central Bank, promoted and succeeded in having the Libyan premier sign an agreement under which the Central Bank bought from Libya 4 million tons of Libyan crude oil at a price adjusted every three months. Also, through the corresponding

Libyan account in the Central Bank, Libya pays not only Turkish contractors but other exporters and the Turkish airlines as well.

Since January 1986 when the agreement came into force, experience indicates that the program moves on without any serious handicaps.

7520

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ECONOMIC

NETHERLANDS

TRADE UNIONS TO SEEK 36-HOUR WORKWEEK IN CONTRACT TALKS

Amsterdam DE VOLKSKRANT in Dutch 2 Sep 86 pp 1, 7

[Unattributed Article: "FNV Temporarily Content With 36 Hours -- Goal of 32-Hour Workweek Now Applicable Only Pro Forma"]

[Text] Amsterdam -- During next year's CAO [Collective Labor Agreement] negotiations, not a single FNV [Netherlands Trade Unions Federation] union will seriously push for a workweek shorter than 36 hours. The FNV unions involved in next year's negotiations are deliberately inserting a grace year. Officially, the main goal remains -- 32 hours by 1990 --, but in practice the demand for shorter workweeks is temporarily put off.

That new policy applies in any case to the Food Products Union and the Services Union. The leadership of the Printing and Paper Union is still deliberating, but on Monday President J. Draijer refused to repeat the plea he made in June for a 34-hour workweek. "That is under discussion and I cannot anticipate that," said Draijer.

The members of the largest FNV union for civil servants and those without indexed income, AlvaKabo, decided earlier this year that an improvement in purchasing power has priority over a reduction of working hours. In practice, this decision meant that the demand for shorter workweeks was temporarily tabled.

The FNV Industrial Union actually dropped the 36 hour workweek during the latest negotiations. The shorter workweek was traded for agreements on a number of extra jobs. Other FNV unions are not involved in the discussion about whether to continue pushing for shorter workweeks. These unions have concluded long lasting contracts and will not negotiate in the short term.

The FNV Services Union has a number of CAO's which already include the 36-hour week (with publishers and the chain stores Vroom and Dreesman and KBB), but President Bruls said yesterday that the time is ripe to push for a 35- or 34-hour workweek. "At the moment, a shorter workweek is not very popular among our members," said Bruls, who announced that a discussion memorandum on this issue will appear this month. The federation would like to rake in a 36-hour workweek in those sectors where this has not yet been achieved.

Problems

The FNV Food Products Union -- which went on strike yet this year in the dairy industry for a 36-hour workweek -- will announce the new policy next week in the yet to be published members newspaper. In a discussion memorandum, the leaders wrote that they want to insert a "grace year" in all sectors which have already achieved a 36-hour workweek. The leadership wants to do this because it causes so many problems with re-staffing and flexible contracts in the enterprises that to work fewer hours means more trouble than benefit for the employees.

F. Allers, spokesman for the Food Products Union, commented: "Employees have to deal with worse timetables, broken up shifts and working on weekends. That way the advantage of having more free time by working fewer hours is worthless. We have noticed that the quality of the new jobs being created is bad. The new employees are hired as workers on call or on temporary contracts. That was never the intention."

The Food Products Union first wants to inventory and think about those problems before deciding on whether to go further than the 36-hour workweek. In sectors and enterprises where that 36-hour workweek has not yet been achieved, the union does want to continue until that level has been reached. The union also wants to strengthen its position in the CAO negotiations in terms of improving purchasing power (2 percent wage hikes), supplementing by employers of social security payments, and influencing labor organization in enterprises.

According to Allers, the new policy does not mean that the union wants to give up on shorter workweeks in the long term. "Even with a grace year, there is still time to achieve a 32-hour workweek by 1990," said Allers. He did add that the union cannot achieve that goal on its own, and he observed an ever greater reluctance in FNV circles, especially at the top. "For a long time now, the top leaders of the FNV have questioned the likelihood of achieving a 32-hour workweek," said Allers, referring to statements made by FNV President Pont and Vice President Stekelenburg.

Discussions in the Printing and Paper Union on a shorter workweek have not been completed yet. As late as June of this year, President J. Draijer said that he wants to push on for a 34-hour workweek by 1988, in spite of opposition from the employers. However, that opposition has grown substantially since June. The KVGGO employers union noted in its members newspaper that there is a shortage of 1500 skilled laborers. A number which will double if the 36-hour workweek is implemented in October as was agreed.

The Printing and Paper Union recognizes that there is a shortage of skilled labor, although the union feels that the cause of this lies with the employers who have been too lax with training over the last 2 years. Draijer said on Monday that even though the fault lies with the employers, the union should nevertheless take into account that to further shorten the workweek could worsen the problem.

Draijer said that the possible grace year does not have to lead to a complete abandonment of the original goal of a 32 hour workweek by 1990. He emphatically added that, like the Food Products Union, the Printing and Allies Industries Union will not be led by the position taken by other unions.

8463

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ECONOMIC

TURKEY

CAUSES OF SLOW FOREIGN CAPITAL INFUSION ANALYZED

Istanbul MILLIYET in Turkish 16 Aug 86 p 4

[Article by Dr Halluk Cillov: "Stagnation in Infusion of Foreign Capital"]

[Text] The "Framework Decree on Foreign Capital" which went into effect at the beginning of 1980 facilitated the transformation of Convertible Lira Accounts and Unsecured Commercial Loans into foreign capital. Using this facility, foreign capital permits were issued for \$1.388 billion between 1980 and 1986. Given that \$502 million of these permits were for loans financed by convertible lira accounts and unsecured commercial loans, it is seen that the actual foreign capital that entered our country during this period was only 35 percent of the total amount and that the balance was not invested for various reasons.

An examination of past trends indicates that between 1954, when the Law No. 6224 on the Encouragement of Foreign Capital was put into effect, and the end of 1979 the actual privately-owned foreign capital invested in our country totaled only \$228 million. After 1980, demand for foreign capital grew rapidly and, for example, in 1981 alone this amount rose to \$338 million (of which \$300 million came from convertible lira accounts and unsecured commercial loans). By the end of 1985, the cumulative foreign capital invested in Turkey totaled \$1.439 billion.

We see that in the first 5 months of this year, demand for foreign capital totaled \$177 million.

The latest arrangements have provided every possible means to foreign capital; even the precondition of exports, which allegedly was the leading restrictive factor in investments, has been lifted. The reluctance of foreign capital to invest in Turkey despite all these easements is believed to have been caused by the following factors:

- 1) The "joint venture" system with foreign capital has not yet fully established itself in our country. Moreover, "foreign capital" is still not allowed to become a "partner" by simply buying the stock of any company.
- 2) The occasional interruption of democratic government has made foreign investors apprehensive (even though these interruptions have not affected foreign corporations).

3) Although Turkey has made major strides forward in the last 2 to 3 years with regard to opening up to the outside, there is no unanimous consensus that its economy is fully stabilized.

4) Finally, the pressure of an inflation rate fluctuating between 30 and 40 percent and the presence of credit costs of over 60 percent are forcing foreign capital to seek areas where the return on capital will be over 50 percent in order to prevent the erosion of the capital by inflation, and this is intimidating foreign investors.

We have determined that as of the end of 1985 there were 421 foreign corporations in our country. Of these, 202 were involved in manufacturing, 123 in trade and 19 in banking. In the area of tourism, where we need foreign capital and technology most, only 20 corporations benefit from foreign capital. Seven corporations utilize foreign capital in agriculture and only four corporations are backed by foreign capital in mining.

These figures clearly indicate that, while Turkey's economic reputation abroad has improved, we are still not utilizing adequately the financing easements, the job-creation potential and the technology of foreign capital.

9588

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ECONOMIC

TURKEY

MERIT PAY SYSTEM FOR CIVIL SERVANTS PROPOSED

Istanbul CUMHURIYET in Turkish 16 Aug 86 pp 1,10

[Report by Enis Berberoglu]

[Text] Ankara--Work is continuing to finalize the Second Personnel Law by the beginning of the new year. Explaining the basic principles considered in the preparation of the bill, Minister of Finance and Customs Ahmet Kurtcebe Alptemocin said: "Those who carry the water successfully and those who break the jug will not receive equal treatment."

It was learned that the draft package of measures prepared by the Office of the Prime Minister within the framework of the Authorization Decree passed by the TGNA [Turkish Grand National Assembly] during the last legislative session has been turned over to the Ministry of Finance and Customs. The ministry is computing the budgetary burden of the monetary measures. After the package is put into figures, it will be returned to the Office of the Prime Minister where it will be given final touch-ups and submitted to the Council of Ministers. The package of measures designed for civil servants--already termed as the Second Personnel Law--is expected to go into effect at the beginning of 1987.

Asked about this work, Minister of Finance and Customs Alptemocin said that various alternatives are incorporated in the preparations and added: "From these alternatives, we will choose the one that is most suitable for our government and our civil servants." Alptemocin continued:

"According to the new arrangements, seniority, education, merit and other similar factors will be taken into account, and this way entering and staying in the civil service will be made attractive. In addition, those who carry the water successfully and those who break the jug will not be given equal treatment. There are proposals that, for example, if two civil servants with the same rank are compared and one of them cannot be productive and cannot complete the work expected of him on time, then there should be differences between him and someone who does his work on time and correctly and who runs his staff efficiently and obtains good results."

If the message conveyed by the minister "between the lines" becomes law, there may be performance-based pay differences between two civil servants with the

same rank. However, certain concerns have been raised about the implementation of this basic principle which has been endorsed by the ministry technicians. A senior Finance Ministry official expressed the following sentiments:

"Whether a performance-based pay difference is based on a bonus system or directly reflected on the paycheck, the issue involves the supervisor factor. In other words, human factors are at issue. A supervisor must be objective and free of any political sentiments in measuring the performance of his staff members. No formula has yet been found to ensure this."

The same official also cited "difficulties in the dismissal of civil servants." He gave the following example:

"Under current law, it is extremely difficult to dismiss a civil servant. For example, you may be certain that a civil servant is accepting bribes, but you cannot prove it. Currently, the only thing you can do is to transfer that employee to another position with the same rank. The work that is being currently conducted is seeking a solution to this problem as well." When asked whether "those who break the jug will be punished," Alptemecin laughed and said: "Those who carry the water successfully and those who break the jug will not receive equal treatment."

9588

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ECONOMIC

TURKEY

SHORTAGE OF STEEL SHEET PRODUCTS REPORTED

Istanbul MILLIYET in Turkish 16 Aug 86 p 4

[Report by Ali Suat Eser]

[Text] Black Sea Eregli--A group of sheet metal merchants had a meeting with Erdemir Executive Council President Celal Kurtulus in Eregli and told him that they are faced with bankruptcy because they have not received the sheet metal they had ordered a year ago after paying 12 percent of the cost in advance.

Merchant Mehmet Gercek said that since last March he has not received any of the products he ordered for the the first 6 months of this year even though he paid a downpayment for the order 1 year ago. He said: "We paid a downpayment for the second 6 months before our first 6 months' orders for cold-rolled products and hot-rolled products with less than 2 millimeters thickness were filled. I have 7 million Turkish liras tied up at Erdemir. Because only the industrialists' orders are filled while we are paying, we will never receive any shipments. We are on the brink of bankruptcy."

Erdemir Executive Council President Celal Kurtulus, together with Assistant Director of Sales Erol Onar, listened to the merchants' complaints and said:

"Erdemir, which is the only producer of sheet metal products in our country, cannot meet the demand because its production capacity is not adequate. There is a shortage of cold-rolled products in the world's steel industry. As a result, import prices are also high, and this is causing problems in distribution."

In a letter sent to Erdemir some time ago, the Eregli Chamber of Commerce and Industry said:

"There are three groups which need Erdemir's products. Those who are organized and have the means are able to have their orders filled on time. The other two groups, the ones who are organized and do not have the means and those who are neither organized nor have the means, obtain their supplies from the merchants. By not delivering goods to the merchants, Erdemir is turning the industrialists into merchants."

In a statement to the press, Kemal Cetiner, the president of 4th professional committee of the Eregli Chamber of Commerce and Industry, said: "If our

merchants were to cancel the orders which were not filled on time, they would lose their downpayment. The merchants and the small industrialists who have his downpayment blocked at the factory are forced to buy from the large industrialists in order to supply their customers. Thus Erdemir's products increase in price by changing too many hands in the market. While forcing the merchants into bankruptcy, this system is helping many importing firms to sell their products at high prices."

9588

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ECONOMIC

TURKEY

STATUS OF ALUMINUM EXPORTS, IMPORTS OUTLINED

Istanbul DUNYA (Supplement) in Turkish 4 Aug 86 p 1

[Article in special supplement on aluminum compiled by Ayse Elmas with contributions by Ankara, Izmir and Bursa bureaus]

[Text] While aluminum exports in the first 3 months of 1986 declined by 6 percent to \$15.375 million, imports rose by 5 percent to \$25.074 million.

Raw materials form the largest portion of aluminum imports. Imports of unprocessed aluminum, totaling \$19.270 million, constituted 77 percent of all aluminum product imports in the first quarter of 1986. During the same period, processed aluminum products dominated exports. The leading aluminum products exported during the said period were profile bars, plain sheets and smooth and coated plain strips.

Status of Imports

In the first quarter of this year, aluminum imports totaled \$25.074 million, rising by \$1.242 million compared to the corresponding period of 1985.

Unprocessed aluminum formed the largest portion of aluminum imports. Imports of crude aluminum, which constitutes 77 percent of all aluminum imports, rose to \$19.270 million in the first 3 months of this year, registering an increase of \$2.126 million compared to the corresponding period of last year.

Of this amount, \$14.965 million worth came from Canada, \$1.7 million worth came from Spain and \$1.3 million worth came from the FRG. The remaining raw aluminum imports came from six other countries in small shipments.

Other major aluminum import categories include smooth coated plain strips (\$1.335 million), plain plates (\$713,000), plain strips (\$349,000) and aluminum powder and chips (\$334,000). Smooth plated plain strips are generally imported from countries such as the FRG, Holland and Sweden. In the first 3 months of 1986, imports of smooth plated plain strips totaled \$706,000 from the FRG, \$333,000 from Holland and \$180,000 from Sweden. During the same period all the plain plates and plain strips were imported from the FRG. The FRG was also the primary supplier of aluminum powder and chips with \$237,000 out of a total of \$334,000.

Meanwhile, aluminum exports in the first 3 months of 1986 totaled \$15.375 million, declining by \$951,000 compared to the corresponding period of last year. While exports of aluminum household products and plain sheets rose compared to the corresponding period of last year, drops in the export of wires and plain strips resulted in a general decline.

Plain sheets, profile bars and smooth coated strips form the largest portion of aluminum exports. Exports of aluminum sheets rose by 84 percent from \$2.938 million in the first 3 months of last year to \$5.419 million in the corresponding period of this year. The leading buyers of Turkish plain aluminum sheets are the United States, Iraq and Iran.

Exports of profile bars form 30 percent of total aluminum exports with \$4.972 million. Of that amount, \$2.264 million worth is exported to Kuwait, \$1.7 million worth is exported to Iraq and \$212,000 worth is sold to Saudi Arabia.

Exports of aluminum wires dropped by \$1.488 million compared to the first quarter of 1985 to \$283,000. Nearly all exports in this category were shipped to Iran.

In exports of aluminum strips, there was a decline of \$285,000 compared to the first quarter of last year. Exports of aluminum strips, totaling \$2.173 million, were primarily shipped to the FRG, Iraq and Iran.

Virtually all exports of aluminum household products, totaling \$1.135 million, were shipped to Saudi Arabia.

Annual Trends

Aluminum exports in 1985 rose by 7 percent compared to the previous year to \$67.701 million, while imports dropped by 24 percent to \$89.745 million. Imports of unprocessed aluminum, totaling \$72.587 million, constituted the largest category in overall aluminum imports, while the leading categories in exports were profile bars, plain sheets and smooth coated plain strips.

January-March aluminum imports in 1984 through 1986 (quantities in metric tons, values in thousand dollars)

Item	1984		1985		1986	
	Quantity	Value	Quantity	Value	Quantity	Value
Unprocessed aluminum	15,804	27,243	12,759	17,144	16,495	19,270
Aluminum scraps	--	--	149	194	--	--
Total	15,804	27,243	12,908	17,338	16,495	19,270

January-March aluminum imports in 1984 through 1986 (continued) (quantities in metric tons, values in thousand dollars)

Item	1984		1985		1986	
	Quantity	Value	Quantity	Value	Quantity	Value
Wires	3	10	—	0.6	1	14
Profile bars	0.1	0.4	4	40	5	12
Solid bars	27	112	104	390	71	222
Total	30	122	108	430	77	248
Plain plates	—	—	—	—	388	713
Plain sheets	46	108	18	52	1	7
Plain strips	—	—	102	251	122	349
Non-plain plates	—	—	—	—	5	13
Non-plain sheets	—	—	—	—	4	23
Non-plain strips	—	—	—	0.1	17	57
Total	46	108	120	303	537	1,168
Plain foils						
(smooth, coated)	19	59	120	369	64	293
Plain strips						
(smooth, coated)	49	204	497	1,299	368	1,335
Foils (embossed, printed)	15	72	—	—	—	—
Non-plain strips	33	188	—	—	—	—
Total	116	523	617	1,668	432	1,628
Aluminum powder and chips	26	82	140	136	88	334
Pipes	61	188	1	4	29	141
Pipe accessories	0.6	10	1	25	8	33
Construction accessories	8	77	2	13	56	295
Storage tanks	7	32	11	27	—	—
Pressure-resistant containers	—	—	—	—	—	3
Wire ropes	1,069	1,326	2,507	3,765	1	6
Woven wire products	—	—	—	—	10	20
Household products	16	75	7	44	18	81
Other	1	14	20	76	282	1,440
Grand total	17,188	29,801	16,445	23,832	18,162	25,074

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ECONOMIC

TURKEY

HALTED TRADE WITH IRAQ STYMIES ALUMINUM SALES

Istanbul DUNYA (Supplement) in Turkish 4 Aug 86 p 1

[Article in special supplement on aluminum compiled by Ayse Elmas with contributions by Ankara, Izmir and Bursa bureaus]

[Text] Because of the freeze imposed by the Central Bank on all trade relations with Iraq, the Oztiryakiler Corporation cannot fill an order from Iraq for \$700,000 worth of aluminum and steel kitchen gadgets. Stating that ways are being sought to resume the shipment of order, which now totals \$700,000 but which is expected to increase in the future, Oztiryakiler Metal Products Industry and Trade Corporation board member Aydogan Oztiryaki said that the Iraqi market offers a promising future. Noting that a substantial amount of production capacity will remain idle if the dispute with Iraq is not resolved, Oztiryaki said:

"Our firm has been exporting aluminum kitchen products to Iraq for the last 14 years. Our exports to Iraq totaled \$2.214 million last year. Our exports were expected to reach \$3 million this year. However, when the banking accord between the Turkish and Iraqi central banks expired on 17 July the agreement was not renewed, and the Turkish Central Bank halted all commercial transactions with Iraq. As a result, we cannot obtain a letter of credit to fill a \$700,000 order we have received from Iraq."

Stating that Turkey's aluminum marketing potential may be increased with exports of aluminum as well as steel kitchen products, Oztiryaki continued:

"We are hoping that the trade dispute between Turkey and Iraq will be resolved soon. If that does not happen, our firm will look for other means of solution.

"Meanwhile, the aluminum market will grow indirectly as a second base as our share of steel kitchen products in foreign markets such as Iraq grows.

"We believe that we will make ourselves known in world markets in this area as in the case of textiles and garments."

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ECONOMIC

TURKEY

ALUMINUM INDUSTRY HURT BY PRICE INSTABILITY

Istanbul DUNYA (Supplement) in Turkish 4 Aug 86 p 4

[Article in special supplement on aluminum compiled by Ayse Elmas with contributions by Ankara, Izmir and Bursa bureaus]

[Text] The Turkish aluminum industry, which has grown rapidly despite its short history, is reportedly facing mounting problems. Stating that the main cause of the problems is frequent price hikes in raw materials and that these price hikes have reached 100 percent in the last year, Mert Marketing Trade and Industry Corporation Director General Remzi Cakmakli said that "the [aluminum] market will grow if price stability is ensured." Noting that "the lack of an organizational structure in the sector has also created various problems," Cakmakli continued:

"Aluminum, which has become a rapidly growing branch of industry, has begun to enter our daily lives. Despite this fact, however, demand is not growing as fast as it was expected because hikes in raw material prices, averaging 5 to 10 percent a month, have rendered the consuming workshops and other affiliated industries unable to operate. The prices of aluminum raw products rose by 100 percent between January and July 1986, imposing hardships on consumers as well as producers. Faced with a new price hike every month, the consumer has begun to substitute alternative materials for aluminum, and this has inevitably driven the producer to a bottleneck. As a result, those branches of the industry supplying small businesses and consumers have been left at the mercy of the government."

Unbalance in Prices Leads to Unfair Competition

Charging that hikes in aluminum raw material prices are reflected in various ways in the market in the course of competition thus producing unfavorable results, Cakmakli said:

"Although aluminum prices overseas are much lower than domestic prices, overseas prices surpass domestic prices in imports. As a result, imports are not attractive.

"Meanwhile, the lack of an organizational structure in the sector and its vulnerability to market competition is creating various problems. The industrialists who buy their raw materials at different prices, price their products differently when they put them on the market. The resulting competition is aggravating the producers' problems. We believe that the potential of the market cannot grow under these conditions."

ECONOMIC

TURKEY

OVERVIEW OF TURKISH SHIPPING INDUSTRY

Istanbul MILLIYET (PANORAMA Magazine) in Turkish 13 Jul 86
pp 8,9

[Text] When people talk of seamen they instantly recall joyous marches, folk songs and kindergarten ditties ("row, row, row your boat"). However, don't let us mislead you. In actual fact our "merry shipowners" seem to be swimming in a sea of troubles ...

It all started with the full-page ads appearing in newspapers on 1 Jul carrying the signature of Veysel Atasoy, the minister of transport. The ad started with a quote from Ataturk: "We ought to think of seamanship as a national ideal for Turks and should reach it in no time!" The ad ended with the minister extending his greetings to all citizens on the occasion of Shipping and Free Navigation Day. This was followed by a symposium on the 'Problems of Shipping Sector in 1986'. It was there that the problems were brought to our attention. You might also have noticed some of the in-between lines in the ad: "Hoisting the Turkish flag in shipping."

Buy Turkish Week

In an informal conversation with newsmen on 1 Jul, Atasoy said: "This is nothing new. Today all countries, with U.S. in the lead, require their citizens to use their national fleet. Admittedly, this is protectionism rather than international competition. But the objective should be achieved through indirect measures rather than direct ones. An awareness should be instilled into the citizens. Remember the buy Turkish weeks? Our generation is more attuned to such sentiments. They must be ingrained into our collective psychology."

For three days there were one ball after another, cocktails, dinners galore at the Liman restaurant, Moda yachting club, Hotel Tarabya. In the dim light of Hotel Tarabya's night club, where the two-day symposium was held, problems of shipping were discussed with the utmost intensity.

Our Shipyards Sentenced

Shipping is a triangle formed by ministry of transport, the shipowners and the shipyards. Its end product is the cargo. The triangle, however, is filled to capacity with problems. Lets start with our shipyards (which are supposed to be the driving force behind our shipping fleet).

Our shipyards are almost withheld from shipbuilding. One would think they are under some sort of sentence. There are more incentives for buying from overseas than for building ships at home. The incentive for overseas purchases is 50 percent and only 15 percent for domestic shipbuilding. A number of factors are responsible for our shipowners' predilection for importing readymade ships which becomes more understandable when it is realized that our shipyards consistently fail to meet delivery deadlines. This is mostly due to backward technology prevalent in our shipyards which, in turn, is due to their consistent failure to become ongoing feasible concerns. Thus it is not surprising to hear that the Turkish Ship Industry Ltd., a fully state-owned company with TL 50 billion nominal capital, and considered the most 'powerful' shipbuilder in the country, manages to operate only 10-15 percent of its 500,000 dwt per year capacity. This is due in large part to a lack of awareness.

No wonder the conference shook with laughter when Mr. Muzafer Akkaya, director-general of the Maritime Bank Shipping Co. Ltd. - the state shipping company - uttered the words: "The Pendik shipyard has received orders for two Panama type ships, 75,000 dwt each, by far the biggest ships in Turkey". The laughter was apparently due to the fact that though the orders had been given two years ago construction had not even started yet.

Global Cargo Crisis

A recently employed method to deal with the cargo crisis in international shipping seems to be the scrap metal trade. Red China, Korea, Taiwan and Hong Kong in particular have been increasing their steel production by this method while getting rid of their 7-8 year old ships that operate with turbines.

Our own crisis is somewhat unique due to a series of irresponsible decisions of recent vintage. According to official figures our shipping fleet which totalled 837,000 gross tons in 1960 reached 1.5 million gross tons in 1978. Between the years 1980-86 the number of ships exploded "like popcorn" from 500 to 800. In due course certain "sharpsters never known to miss a good incentive when they see one" became instant shipowners. And thus maximum cargo capacity increased threefold reaching 5,247,000 dwt.

Considering that the global tonnage in commercial shipping is 630 million dwt, it does not look bad to be ranked 26th with 5,247,000 dwt. What can be irresponsible about this, you might ask. Well, the irresponsible thing in question concerns those who have given and taken billions of liras worth of credit which is now causing so much anguish to the rest of us. It appears that not a single soul among the administrators has taken the trouble to investigate the type of ship our fleet really needs. Moreover, the purchased ships turn out to be mostly aged vessels bought on the spot market.

The statistics may seem nice from afar but close-up one realizes that the situation is really a disaster. Today ships are sitting off the Ahirkapi coast in great numbers, their average age 16-17 years, worth billions of liras and who knows how many millions of dwt capacity. They just sit there in that graveyard, not a single piece of cargo in sight.

Fuel-inefficient Ships

The impact of the financial crisis, brought on by the cargo crisis and aggravated by the problems of our aging ships, has been quite devastating for our shipping fleet. A solution of sorts is suggested by Hilmi Sonmez, owner of the Sonmez Shipping Co. and the president of Chamber of Shipping. According to Sonmez, resources required for the renewal of the fleet can be found. Here is how: "Nearly one million tons of fuel are wasted because of aged and fuel-inefficient ships in our fleet. If we take the average price of fuel as \$120 in coming years the money wasted would amount to something like \$50-60 million. This money can instead be used for the renewal of our fleet. Having posed the question whether we can develop our shipping fleet with the 33 percent incentive loans, Sonmez answers: "This is too high a rate for us. Our government forecasts 25 percent inflation for the year. Thus the rate envisioned for our shipping fleet should not exceed the rate of inflation. If we want to support the shipbuilding industry the rate of interest should be fixed 5 percent lower than the prevailing rate of inflation."

Fleet Under One Flag

Since we are buyers and pay cash up front we are able to carry almost all our oil by tankers flying the Turkish flag. Nurettin Gulpinar of the Maritime Bank expressed his opinion that "insistence on carrying all our import and export cargo by Turkish registered ships is going against the grain in world trade."

On 19 Jul 1984 a government decree was issued, largely due to the efforts of Hon. Turgut Ozal, aimed at protecting our

shipping fleet and preventing the drain of foreign currency. It stipulated that imports would henceforth be carried by Turkish registered ships though one would be hard put to find one state organisation - to which the decree was addressed - comply with it.

Gurpinar argues that the whole thing "is a non-starter. Other countries will be reluctant to use our services. They will also demand that their exports be carried by their shipping companies." He adds: "It is useless to talk of the fleet under one flag. It is not only us, nobody does such a thing. Different cargoes are handled by different types of ships. Even the Japanese could not manage that."

Regular Schedules

Then there are the liners which operate regular schedules. Turkish ships may be good in carrying full-up cargoes but they are behind in the liner business. We discussed the issue with the representatives of foreign shipping companies. They said that in Turkey "only Deniz Nakliyat, Kocug and Genel Denizcilik are able to engage in the liner business." To operate on liner routes one needs representatives in foreign ports. Refraining from giving their names ("we do not want to contradict our Ministry") the representatives of foreign shipping companies said the following: "Given the state of our ships - technological and otherwise - how are we going to do this? It is unfortunate but today, with the exception of state economic enterprises, our traders cannot have their cargo carried by Deniz Nakliyat because the company cannot maintain scheduled routes with service at every port. A shipowner who enters the liner business can expect to recover his initial loan in about 15-20 years. A cargo ship, on the other hand, can recover in 5 years not to mention its scrap value. Why should a shipowner make a 15-year investment when a more convenient option is available? The liner business is very dangerous. The huge American Prudential Lines and the Japanese Sanko Lines went out of business. The state has to tell to Deniz Nakliyat this: Take these ships, operate them on these routes, and I will cover the losses. But this would contradict the Ozal policy of letting state economic enterprises save themselves."

Port Legislation

Port Legislation no. 827 has introduced a 5 percent tax levied on goods imported via sea (based on their CIF value). The tax is generally considered too high, and does not apply to any other means of transportation - just the sea. Nothing quite similar is heard anywhere in the world. Only we seem to have the dubious distinction of having such a thing!

The views of Metin Leblebicioglu, general manager of Koctug Shipping Ltd., on Port Legislation is widely shared by shipowners: "As a result our country has been forced to adopt land transportation to an excessive degree because the importer wants to economise." In order to avoid the 5 percent port tax the importer unloads his cargo either at Pireus or Antwerp and makes his entry to Turkey by truck. Records indicate that 49,500 TIR trucks made entries in 1985, 31,500 of them carrying foreign plates. Of the TL 150 billion port tax revenue, with TL 110 billion going directly to the Treasury, only TL 37 billion went to the maintenance and development of ports for which it was originally intended. At this point Leblebicioglu parts company with the other shipowners. That is because he does not favor the abolition of the legislation, saying "given that Turkey's imports are around \$10 billion, a general application of the tax would have generated about TL 420 billion revenue (\$1 = TL 700). This means that the state has foregone TL 270 billion in favor of importers by not applying the tax comprehensively."

Then the opposing viewpoint comes forward: "Our foreign currency earnings would have been much higher had we been able to invite more business to our ports rather than insisting on Turkish registry or imposing huge taxes."

Environment Fund

There are two items that relate to the monetary aspect of the pollution problem: the annual fee and the penalty to be collected from the violators. Among the shippers no serious opposition has emerged to either of these measures the common attitude being "just as we are forced to pay millions when we pollute abroad, those who pollute Turkish ports should not go scot free". As pointed out by Prof. Mumtaz Soysal, the MILLIYET writer, "without the respect and love for the sea no country is ever likely to show progress in maritime trade."

The shippers too are against any disrespect towards the sea but they are also against a fee increase from TL 10 to TL 1000 per gross ton for the Environment Fund. The common sentiment is that "the shippers are hardly in a position to absorb an additional expenditure of TL 3.5 billion a year." Another important aspect that concerns pollution penalties is that in addition to insuring their vessels and engines ships take on comprehensive coverage. In the event of pollution insurance covers \$50 to \$300 million worth of damage. Remarks are made jokingly that "one needs the environment fund like one needs a hole in the head. Shipowners are rich so why don't we collect fees for the XYZ fund!"

Perpetual Penalties

During the symposium there were discussions on international agreements. On 1 Jul 82 the Paris Memorandum went into effect signed by 14 countries specifying minimum standards and instituting control in commercial shipping. According to the memorandum, sanctions included the denial of entry and exit from the ports of 14 countries. Turkey is not a party to the agreement "yet". Ministry of transport officials explained that "documents had to be completely rearranged and the certification of the equipment has been completed." This was greeted by comments such as: "If you are having difficulty in translation send us the English copies. We are tired of being penalized."

Maritime Education

The symposium had nearly ended, and the question-and-answer period was drawing to a close. Apparently, Guneri Ozkan, manager of Marti Shipping Ltd., was overlooked sitting quietly at the panel table. The chairman was reminded of the situation by a voice coming from the crowd, and thus Ozkan began to speak. It turned out that he had useful things to say about the incorporation of the Maritime College (which is the only one of its kind in the country) into the university system. He also talked about general problems concerning higher education in commercial shipping.

For three continuous days the sea was sometimes rough and sometimes calm. At the end there was a speech by Ziya Kalkavan, president of the Shipowners Association, rendered in his famous Black Sea accent: "I have been involved in these issues since the time of Celal Bayar. In every period we talked about these problems. The authorities have always told us that we were right but never delivered. Hon. Veysel Atasoy has created a warm atmosphere. He is holding the light but we have to make sure that the light illuminates even more." This was followed by the Minister's reassurance of "support for the Turkish flag" which worked as a tonic for shipowners up to their neck in problems.

... And the cocktail prolonge got under way.

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CSO: 3554/160

ECONOMIC

TURKEY

BRIEFS

TOURISM PROTOCOL WITH HUNGARY RATIFIED--The Council of Ministers approved a Turkish-Hungarian touristic collaboration protocol signed in Budapest in April. The protocol, which was published in the Official Gazette yesterday, envisages cooperation between Turkey and Hungary in the area of tourism. It was reported that during talks between the two countries, views were exchanged on the tourism potential and existing incentives in the two countries and that it was decided to develop further the cooperation between travel agencies and tourism firms and to encourage this cooperation at the government level. According to the protocol, the Turkish Airways will introduce direct service between Istanbul and Budapest to facilitate air travel between the two cities. The protocol also says that both countries will ask their travel agencies to diversify their tours and to have more tours which may foster cooperation in the area of touristic promotion. According to the protocol, the two sides will also advise their travel agencies to prepare joint programs for tourists from third countries. [Text] [Istanbul DUNYA in Turkish 16 Aug 86 p 7] 9588

CZECHOSLOVAKS TO MARKET TIRES--Work is under way to promote in foreign markets the Turkish aircraft tires to be manufactured at the PETLAS factory, which will begin production at the end of the year. According to the information obtained, "Technoeexport," a firm from Czechoslovakia, will manage the foreign market research and sales of aircraft and land vehicle tires to be manufactured by PETLAS. The Czechoslovak firm, which reportedly has extensive experience in world markets, will also procure licenses for the tires to be manufactured by PETLAS. Officials stated that Turkish aircraft tires will take an important share of the world market and that large orders have been received from Middle Eastern countries. The factory, which will have trial production runs at the end of the year, will manufacture 8,000 aircraft tires a year. The factory, whose production will meet the entire aircraft tire needs of the Turkish Air Force, will also manufacture land vehicle tires. The factory, whose production will in general be export-oriented, was largely financed by foreign loans. The PETLAS aircraft tire factory was financed by a \$9-million loan from the Islamic Development Bank and a \$19-million loan from the Turkish-Arab Bank. The factory, on which 100 billion Turkish liras have been spent so far, is expected to cost approximately 140 billion Turkish liras in today's prices. [Text] [Istanbul DUNYA in Turkish 16 Aug 86 p 7] 9588

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MILITARY

EUROPEAN AFFAIRS

NORWEGIAN REPORT DISCUSSES SOVIET OPERATIONS PLANS FOR NORTH

Stockholm DAGENS NYHETER in Swedish 13 Sep 86 p 11

[Article by Bjorn Lindahl; first paragraph is DAGENS NYHETER introduction]

[Text] How does the Soviet Union view the Nordic Region? In a new Norwegian report, a researcher has examined Soviet military planning for Northern Europe and reached the conclusion that the "Nordic Region" does not exist as a concept. Regional operations areas have other boundaries. The same is true of NATO. The threat to the Nordic Region is therefore indirect.

Oslo--Interest in and concern over what the Soviet Union is doing on the Kola Peninsula have increased sharply in the Nordic Region over the past few years. But how does the Soviet Union view the Nordic Region? A new report gives a partial answer to that question, saying that the threat to the Nordic Region is indirect and depends on much greater military interests on the Soviet side.

The report, which was prepared by the Norwegian Foreign Policy Institute (NUPI), has already become well known for having revealed, with the help of satellite pictures, two new bases on the Kola Peninsula, an airfield, and a submarine base. But it also includes another section in which the Finnish-American researcher Tomas Ries very carefully examines Soviet military planning for Northern Europe.

One condition for understanding the Soviet Armed Forces is to recognize that there are two ways to classify fighting forces. The first is the traditional one that exists in peacetime: a Navy, an Army, an Air Force, and other traditional service branches. But that classification has nothing in common with the situation that exists in wartime.

The Soviet Northern Fleet can be taken as an example. It does indeed have 70 percent of Russian nuclear-armed submarines--but only in peacetime. In wartime, command of those submarines will pass to a special strategic nuclear command that will also control strategic bombers and intercontinental nuclear missiles.

The other service branches will be divided into combat units consisting of ground, air, and naval forces and placed under regional commands.

Tomas Ries says: "By studying the look of those units and the forces assigned to them, one can get an idea of which military operations might be considered suitable in the Nordic Region in wartime."

The first conclusion that can be drawn is that the Nordic Region as such does not exist for Soviet military planners. They see only two areas as being of absolute strategic importance in Europe.

The first is the Arctic Region, where the Soviet Union has its nuclear-armed submarines, which play a much more important role in the nuclear balance than the American ones do. The Kola Peninsula also lies in the most direct path for U.S. strategic bombers and missiles on their way to Moscow.

The second is West Europe. That is where a large number of NATO's nuclear weapons are stored. That makes it the biggest conventional threat to the Soviet Union.

Since the Nordic Region winds up right in the middle, it has been divided, for purposes of military planning, in a way that best suits Soviet interests. Northern Norway, northern Sweden, and Finland are in one regional operations area. Southern Norway, southern Sweden, and Denmark are in another that comes under the high command for operations in West Europe.

A parallel can be drawn with NATO, which has also divided up the Nordic Region differently than atlases do. NATO includes Norway, Denmark, and that part of the FRG north of Hamburg in its Northern Command.

The Norwegian Sea and parts of the North Sea come under the Atlantic Command, while other parts of the North Sea are part of the Channel Command.

"It would be wrong to say that boundaries like these do not play a role. Problems are always created when an area must be defended," says General Geoffrey Howlett, who heads the Northern Command and is therefore the highest NATO officer in the Nordic Region. "Of course, dividing an area up does not, in itself, prevent the possibility of an attack on, say, Sweden. But military plans are worked out according to the most current threats and priorities."

Tomas Ries points out that the danger that the Nordic Region will be drawn into a conflict must be viewed in a much larger context.

He says: "The threat to the Nordic Region is indirect. The crucial thing is what happens in Europe."

But some parts of the Nordic Region would be very important to Russian interests during a conflict. Tomas Ries can therefore conceive of two Soviet military operations that would be equally appropriate from the standpoint of defense and attack.

One is the occupation of Denmark to prevent NATO's surface ships from entering the Baltic Sea and, perhaps even more important, to keep NATO from using the airspace over Denmark as a path for attacks on the Soviet Union.

Soviet Operations Plans for Northern Europe

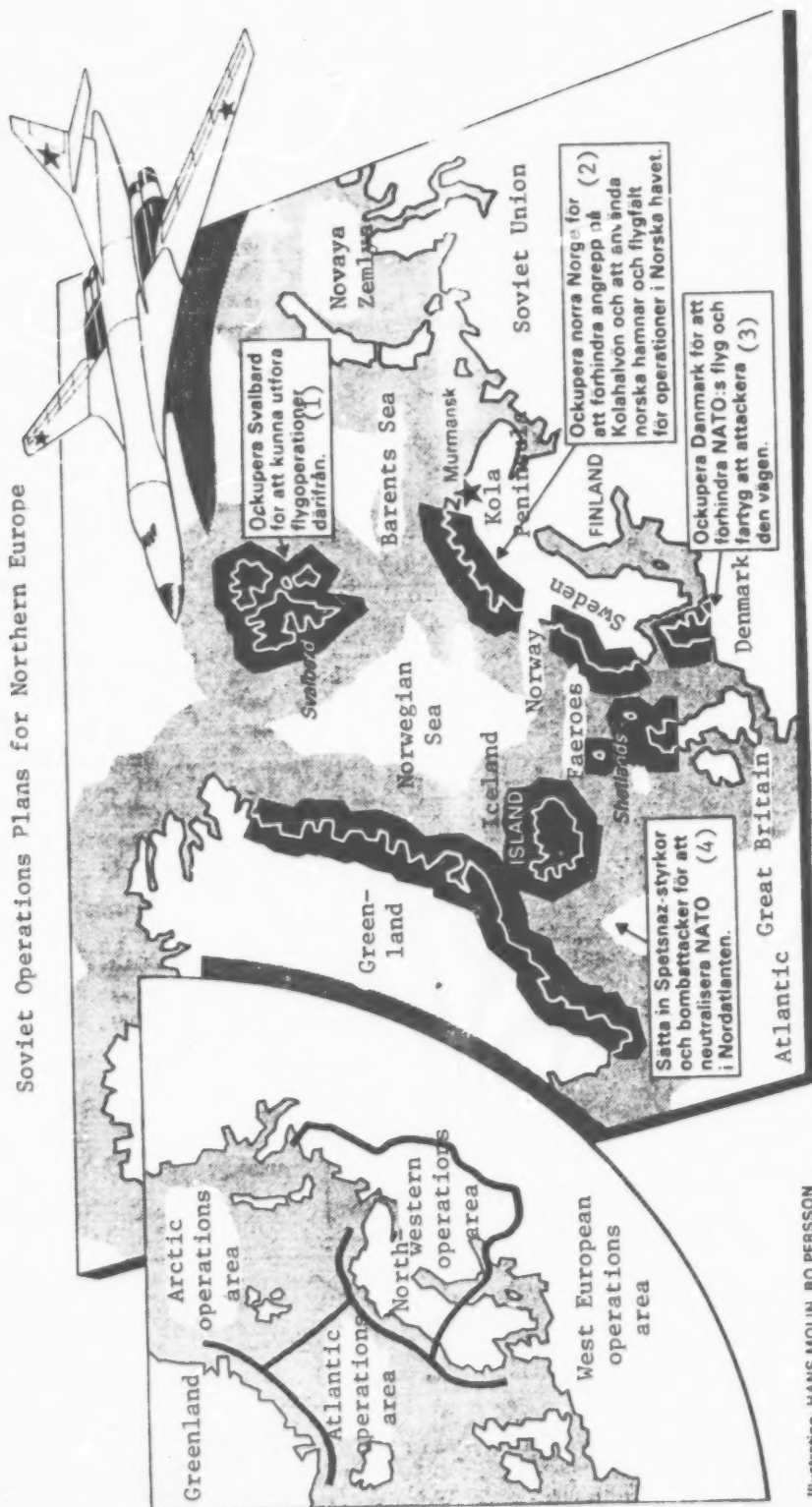


Illustration HANS MOLIN, BO PERSSON

Key:

1. Occupy Svalbard for use as a base for air operations.
2. Occupy northern Norway so as to prevent attacks on the Kola Peninsula and to use Norwegian harbors and airfields for operations in the Norwegian Sea.
3. Occupy Denmark to prevent NATO's aircraft and ships from attacking via that route.
4. Use Spetsnaz forces and bombing attacks to neutralize NATO in the North Atlantic.

The other is the occupation or constant bombing of northern Norway north of Troms County and of the airfields and harbors located there to prevent attacks on the Kola Peninsula from there. From the Russian standpoint, the best thing is to be able to use those facilities for operations in the Norwegian Sea.

Occupation

Tomas Ries puts little faith in the theory that Soviet forces would go through northern Finland and northern Sweden to occupy northern Norway.

"It would cost too much in time and wear and tear on the units to travel the 400 or 500 kilometers involved. Besides, it would be impossible to keep the lines of communication open to the rear."

In recent years, the Norwegian Sea has been the focus of much attention in the security debate, primarily because it would be possible from there to attack NATO reinforcements on their way to Europe from the United States. That is one of the Soviet Northern Fleet's missions. But its other, and more important, mission is to defend the Soviet nuclear force in the Arctic Region.

"I don't believe that the Northern Fleet is capable of handling both missions, and this means that priority will go to the latter mission," says Tomas Ries.

"This does not mean that the Northern Fleet will stay in Murmansk. Defense will have to be in depth--as far out in the Norwegian Sea and the Atlantic as possible. But NATO still has much more sophisticated vessels. It has carrier groups, and it controls all the land areas surrounding the Norwegian Sea: Greenland, Iceland, Scotland, and the Norwegian coast," says Tomas Ries.

The new U.S. naval strategy, which has been under development for several years but which was published in a nonclassified version in January of this year, is considerably more aggressive than before.

"If there is a war, the Navy must take the initiative as far forward as possible," writes Admiral James D. Watkins in a presentation of the naval strategy that was published in the U.S. journal PROCEEDINGS.

One of the most important goals in that strategy is to destroy as many Soviet nuclear-armed submarines as possible.

Watkins writes: "The real question is how the naval force can be used to alter the nuclear balance. To some people, that aspect of the strategy may seem risky. But the danger works both ways--that is the essence of deterrence."

The United States already has the capability to pursue Soviet submarines far into their base area without being detected. This is proven by incidents inside the Vladivostok harbor and at the entrance to the White Sea.

"While the Soviets already had a very strong interest in the Norwegian Sea, U.S. interest in that area has also increased, as is shown quite clearly by the fact that NATO aircraft carriers are visiting the area more regularly."

But while NATO has problems in connection with bringing reinforcements across the Atlantic, the Soviet Union has the same problems in the Baltic Sea.

"The Soviet Union would be terribly dependent on the Baltic Sea for moving reinforcements and equipment to the front in Europe, since land routes would be under strong attack by NATO," says Tomas Ries.

Baltic Sea

He considers it quite unlikely that NATO would be able to force its way into the Baltic Sea with ships. Air defenses have already been built up.

"But the Soviet Union is very worried about submarine attacks on its lines of communication in the Baltic Sea and about the fact that in such cases, NATO might use the Swedish and Finnish archipelagos as hiding places.

"It is therefore important for both countries to be able to guarantee that no foreign submarines can penetrate their waters. If they cannot guarantee that, the Soviet Union will do the job itself," says Tomas Ries.

"That, in my opinion, is why the Soviet Union is operating in Swedish waters. The reason why it is not doing so in Finnish waters--at least not to the same extent--is that Finland began building up one of the world's most modern coastal defenses--including antisubmarine defense--back in the 1970's.

"Whereas Finland has invested a great deal, Sweden has neglected its coastal defenses, not only technically but also by not keeping an operational command structure in place. It turns out that it takes a long time to get people into those positions in wartime.

Airspace

"It is possible that Finnish feelers were more highly developed and discovered earlier that the problem existed."

In addition to the archipelagos, Swedish airspace is also threatened. Here the Soviet Union must be constantly evaluating the question of whether it is worthwhile to challenge Swedish air defense, which has 400 fighter planes (compared to 600 in the FRG and 650 in Great Britain).

Ries feels that if, on the basis of larger strategic considerations, the Soviet Union decides to attack Sweden anyway, it will probably begin with sabotage operations. In his study, Tomas Ries attaches great importance to the Soviet Spetsnaz forces.

"One scenario for an attack on Sweden that I can imagine calls for large sectors of the population to become ill as a result of an unusually severe flu epidemic. Then there will be war. Before that becomes obvious, one can imagine that all the important civilian and military people who can contribute to Sweden's ability to defend itself will become the targets of attack and that some of them will even be murdered, with the resulting paralyzation.

"Important groups such as pilots might also be attacked, as could electric powerplants and similar installations. Then, with Sweden blacked out, there would be a massive bombing attack aimed solely at civilian targets.

"Immediately afterward, there would be radio messages to the effect that the Soviet Union wants peace and that 'we absolutely do not want to threaten Sweden. But if you offer resistance to us, we will totally devastate you in order to get at those who are threatening us.'"

Vulnerable

Sweden is a society very vulnerable to Spetsnaz operations because it is technically developed and centralized.

"The same kind of attack could also occur in Finland, but it would be much more difficult to carry out. For one thing, national character has a lot to do with how namby-pamby a country is. And Sweden is terribly soft," says Tomas Ries.

He offers the politicians no advice on how they should solve the problems resulting from the fact that both superpowers are taking a growing interest in the Nordic Region.

"But strong defense forces in Sweden and Finland would maintain a wall which, hopefully, both superpowers could rely on. Then the superpowers themselves would not have to maintain such large forces. Putting it crudely, we can say that the Soviet Union would be relying on Finland not to let NATO slip through and that NATO would be relying on Sweden not to let the Soviet Union slip through," says Tomas Ries.

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MILITARY

DENMARK

COMMENTATOR CRITICIZES SOCIAL DEMOCRATS' DEFENSE PLAN

Copenhagen WEEKENDAVISEN in Danish 5/11 Sep 86 p 9

[Article by Tøger Seidenfaden]

[Text] The Social Democratic Party has presented its new defense policy proposal. The proposal for a modernization of the Armed Forces is supported by some "defensive defense" ideas, although it is not a question of a really new defense model. Tøger Seidenfaden, foreign editor of WEEKENDAVISEN, takes a critical view of the form and content of the proposal presented by the Opposition, while making a more carefully prepared contribution to the current defense policy debate.

At times, one first has to deal with form and, subsequently, content.

This applies to literary works, where some critics even find that only style and linguistic craftsmanship should be critically considered. The situation is different when it comes to political works and technical reports. Here, it is a question of substance. What does the man, the group or the party stand for? Where are the arguments? What are the positions?

One should certainly consider "The Proposal of the Social Democratic Party for Modernization of the Armed Forces" in this light.

It is not the kind of document that is normally reviewed. The proposal has been submitted "to local party groups and other interested persons." The defense minister has reacted on it, and the radio news broadcast has devoted the time allocated to the defense plan of our largest party, to a continuation, among the politicians, of the debate.

Various editorial writers have noted that the content of the plan has been watered down compared to earlier ideas and more secret plans, and to those who desire unity on defense policy matters in Denmark, this is a somewhat encouraging sign. The more watered down, the more politically useful and the more suitable for creating unity at a new, more watered down and thus higher level.

Language

But while the politicians are in the process of watering down the content of the plan and thus hopefully rescuing the country, the rest of us should be permitted to examine the form--which involves the use of language. How does the Social Democratic Party write, what words is the party using when it is a question of the country's defense?

"As is well-known, it is the opinion of the Social Democratic Party that the way the world is, it is necessary to have a defense."

One becomes quite relieved on behalf of the party that it is able to write "as is well-known." If it were not well-known, the authors (there are many, but Knud Damgaard, Lasse Budtz and Anker Jørgensen have probably applied the finishing touches) would be in the situation that they would have to explain why it is necessary to have a defense. And that might be extremely difficult, judging from the rest of the proposal. For the remarkable thing about the proposal is that the fact that the country has enemies, potential enemies or merely armed neighbors, is not mentioned a single time. It is superfluous to add that the Soviet Union, of course, is not mentioned either. But, of course, that is, fortunately, all "well-known," even if the Social Democratic Party has not talked a great deal about it for a number of years.

Instead, one is left with the feeling that we need a defense, in the same way as we need an umbrella, "considering the rainy climate."

But to be fair. On several occasions, the defense plan touches upon the basis of our defense, that is to say, the NATO Alliance. It appears that we have got something in common with our Allies.

Guess what it is.

Our democracy, our social system, our freedom, our pluralism, our common rejection of the model of the East bloc? Perhaps our welfare and trade? What can it be?

It turns out to be the "basic philosophy of life, which also applies in Denmark."

Does the Social Democratic Party really believe that we share our "basic philosophy of life" with the inhabitants of Kansas, Lisbon and Nürnberg? Hardly--but if a single adjective would be added to make the basis of evaluation more concrete, the spokesmen for our largest party would become divided. Try for yourself. "Freedom"--that has got something to do with the right of the business sector to make money. "Democracy"--does it not savor too much of the fifties and NATO rhetoric? "Western values"--we are getting closer if it were not for the fact that the term "Western" is so discriminatory against other quarters of the globe.

But let us get to the point.

What is the position of the Social Democratic Party on the Armed Forces and the problem which they have been charged with solving: The threat (a word which, however, only occurs in the proposal in connection with the possibility that our measures might appear threatening to others) to our security.

Environmental Disaster

First, it turns out that the unmentioned threat to our security is not an enemy, a possible occupation, the loss of freedom of action and political rights. The threat, on the other hand, is "war."

According to the Social Democratic Party, "war" may "today be regarded as an environmental disaster of incomprehensible dimensions for the entire population." To ward off this environmental disaster, the Social Democratic Party advocates a "general defense system." One is too tempted to call it a "general environmental defense system." It will have to record the various cases of pollution and fine the offenders. Such fines may be raised gradually as there is political willingness to do so.

In the meantime, the Social Democratic Party is "prepared, to the extent feasible, to employ means for the preservation of peace."

I wonder who it is that is advocating prohibitive defense expenditures? Indeed, Anker has got a suggestion, but what is more interesting at this point is the fact that, as far as the preservation of peace is concerned, we shall have to make do with what the Social Democratic Party can manage. Somebody might perhaps be laboring under the false impression that we were all of us paying for the defense. But, of course, if it is only the poor Social Democrats who are the victims, we shall have to make do with what is "feasible."

The next step is that this "feasible preservation of peace" will consist in:

"A defensive defense structure showing peaceful and non-offensive objectives as part of the development toward mutual relaxation."

One may start wondering whether this "defensive preservation of peace" is repeated 4 or 5 times in this crucial sentence. The proposal, incidentally, goes right on to say that the "defensive defense structure" will operate "from and within own areas of sovereignty." Come on inside and fight with us, is the undeniably not very threatening message. Whether it is compatible with the solidary defense of Schleswig-Holstein under the auspices of the Unity Command, is not clear, but, here, we have, of course, proceeded far beyond a purely linguistic criticism.

Threatening Reinforcements

The proposal also touches on the subject of the preservation of national independence. Here again, one hopes to hear a little about what it is that is threatening it. That does, indeed, happen, though in a special Social Democratic fashion. Have a closer look at the following passage:

"National independence means that we sovereignly make decisions on all Danish matters, including the development of our democracy, with whom we will cooperate, etc." The closest we get to a threat is here an indication that the most important content of democracy is the ability to say no to our cooperation partners (those "who share the same philosophy of life.") However, the next sentence amplifies the problem:

"The reinforcement agreements must not be of a threatening nature, nor may they have a content which limits our national independence and freedom of action."

Since the shyness of the Social Democratic Party does not make it possible to mention who might conceivably feel threatened by the reinforcement agreements, the obvious interpretation is that it is ourselves. It is, indeed, in this way that one would naturally interpret the paragraph, even if the more cunning ones among the authors probably have in mind the resulting threat against us which the reinforcement agreements may presumably give rise to--via the reaction of the really frightened superpowers. The possibilities of the language of expressing this clever idea clearly, however, are not furthered by the fact that the superpower--who, despite all descretion, will have to be a logically necessary component of the "environmental disaster" that we all fear--may not be mentioned at all. The linguistic evasiveness is probably due to the fact that if the Soviet Union were mentioned each time in conjunction with the need to set up the depots in Jutland and the defense of Bornholm in a "non-threatening" way, the immediate ludicrous nature of the composition and of the underlying idea of "what causes the Soviet Union to increase its armaments" would become far too obvious.

The remainder of the proposal, which deals with land, sea, air, and civil defense, does not raise the level appreciably. As a final example of the borderline area between language and logic may be mentioned a statement on the need to pull a brigade out of the Unity Command in Sleswig-Holstein:

"This withdrawal will have to take place on the basis of an agreement with our NATO partners and in such a way that Denmark will retain a decisive influence within the joint command system."

The idea is presumably that if will withdrew all of our forces from the Unity Command, we would be offered the supreme command over the entire central front in Western Germany.

After having fought one's way through the ideas of our largest Opposition party on the future defense agreement, it is a pleasure to read a publication on defense policy of a related content but which employs a considerably more supple style:

Major Michael Clemmesen has written a booklet on defensive defense which has been published by the Security and Arms Reduction Policy Committee. The small report boasts a clarity of ideas, a stringent argumentation and a surprisingly exhaustive discussion of the issue it deals with, despite

the small number of pages involved. SNU [The Security and Arms Reduction Policy Committee] has again hit it off with one of its small topical publications, although it, of course, is a shame that Anders Boserup, who was Clemmesen's fellow combatant in the debate which provided inspiration for the booklet, has not been able to commit his ideas to writing in the present publication.

On the other hand, it is difficult to see what he as an advocate of a defensive defense system would have done in the face of the scathing review on the part of the major.

It is not the rather incoherent defensive ideas that Michael Clemmesen deals with. Instead, he deals with the most influential of the German proposals, which has marked the debate in this country. The proposal--by Horst Ahlfeldt--is supported by some members of the Socialist People's Party and two to three peace researchers but is, of course, also part of the material on which the debate is based and which has provided nourishment for the currently more watered-down ideas of the Social Democrats.

The central section of the booklet is an analysis of the difficulties which a decentralized, scattered and local defense will logically and actually encounter. Clemmesen argues convincingly that the defensive defense system will, under no circumstances, be in a position to keep its promises, as far as military technology is concerned, and that, if employed in Western Europe, it would fail decisively in the face of the Soviet possibilities that we know. I shall not repeat the argumentation here.

In addition to its systematic argumentation, the booklet, however, places the debate on defensive defense within the total debate on the NATO strategy, and, in conclusion, it, moreover, arrives at some constructive views in that context. For both Social Democrats and other Left-wing people who of recent years have begun taking an interest in the defense and security policy, are right that the NATO strategy holds problems and is faced with difficult challenges.

The central issue is anything but new. Western Europe is almost unavoidably militarily inferior to the Soviet Union (in addition to the figures are geographical considerations), and the United States is on the other side of an ocean. That is why NATO cannot allow itself to entirely omit pointing out the nuclear threat. It is an unpleasant situation. A nuclear war is such a frightening possibility as to easily frighten us, even as much as the potential enemy. However, in order for the nuclear threshold to be raised, more conventional weapons will be needed. We cannot afford that--or rather, the West-European welfare states understandably do not feel like spending their money on that.

Within the framework of the well-known issues, Clemmesen points to a part solution. It is not new, but it is attracting increasing attention in various quarters. It is even defensive. The main threat on land are the many tanks of the Soviet Union which, with the support of artillery,

aircraft and motorized infantry, will make possible very fast and deep thrusts into Western Europe. A possible answer is setting up a border defense zone along the eastern frontier of the German Federal Republic. Physical obstacles, fortified and manned by the engineers and the like, set up along the border of West Germany, might give NATO time, without--unlike the defensive defense system--sacrificing space. It is not a question of any Maginot Line type of fortress system, intended to keep the enemy out. But of an obstacle which will make it more realistic for reserves to get time to become mobilized, which will enable the Americans to reach their positions and thus enable NATO to avoid the collapse and the territorial losses which will otherwise quickly conjure up the ghost of nuclear retaliation.

There are thus Danish military experts who are capable of placing the problems of the Danish Armed Forces in the broader European and Western context in which they belong. It is annoying that they are not the ones who have been allowed to mark the not very impressive proposal of the Social Democratic Party for modernization of the Armed Forces.

"Proposal of the Social Democratic Party for Modernization of the Armed Forces." Foreword by Anker Jørgensen, author(s) not indicated, 17 pages, mimeographed, July 1986.

"On Defensive Defense," Michael H. Clemmesen, 26 pages, may be ordered by sending 3.50 kroner to the State Information Service, P.O.Box 1103, 1009 Copenhagen, K. The Security and Arms Control Policy Committee, 1986.

7262

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MILITARY

DENMARK

PARTICIPATION IN NATO'S 'BOLD GUARD' EXERCISE REPORTED

Copenhagen BERLINGSKE TIDENDE in Danish 26 Sep 86 p 13

[Article by Nils Eric Boesgaard: "Female Gun Crews and Advanced Defense"; first paragraph is BERLINGSKE TIDENDE introduction]

[Text] Kropp, Schleswig-Holstein--Danish soldiers have been praised for their efforts during NATO's Bold Guard exercise which is designed to show how the allies can reinforce the defense of Denmark and Schleswig-Holstein.

"This is nothing but a piece of propaganda; why are they wasting our time with this kind of nonsense?" grumbled a Bulgarian general, a member of the Warsaw Pact observation group when he was presented with a Danish self-propelled 155-mm howitzer with a female crew during NATO's Bold Guard exercise in Schleswig-Holstein.

Their mood was not improved by the fact that the observers had to cross a rutted plowed field in their good shoes to inspect the Danish battery. But they had to admit that the girls knew their job. They staggered around with the 43-kg shells and maneuvered the 24-ton cannon from the Sonderjyske artillery regiment as if they had never done anything else and finished by firing a salute with blank shells.

On the whole the soldiers from the Jutland Division have inspired general admiration among the big allied forces from West Germany, Great Britain and the United States. "Man for man and unit for unit, they are at least as good," said the chief of the division's nearest neighbor, the 6th tank division in Schleswig-Holstein, German tank General Klaus Christoph Steinkopff.

In all 65,000 allies are concentrated in the area in connection with the Bold Guard exercise. "Of these only 4,700 belong to the Jutland Division and that is not enough," their chief, Major General Holger Dencker, said. "A good many of them are mustered men, in other words recalled draftees who are all extremely positive and do their work cheerfully. The main reason why we have not had more people involved is that the Army is undergoing a period of reorganization.

"I hope that when we hold the next Bold Guard exercise in 1990 it will be possible to bring the division up to at least 10,000 men, so conditions can

be more realistic. But it is unlikely that we will ever have a chance to test the division at full combat strength--three brigades totaling 18,000 men," the major general added.

Advanced Defense

The purpose of the Bold Guard maneuvers is to practice the strategy of advanced defense and the allied reinforcement of Denmark and Schleswig-Holstein.

In peacetime the Warsaw Pact nations have 13 operational divisions concentrated in northern Poland and East Germany, a spokesman for the Defense Ministry in Bonn informed BERLINGSKE TIDENDE. Right along the border with Schleswig-Holstein there are seven tank divisions or 70,000 men and this force can be doubled very quickly. In addition there is a sizable amphibious force that includes a 10,000-man Soviet marine force and large airborne forces that are especially well-suited for amphibious operations against the Danish islands. Finally the Warsaw Pact's Baltic Command has around 1,000 combat planes and 130 wholly or partially missile-equipped frigates, corvettes and motor gunboats at its disposal.

The idea behind advanced defense is that NATO forces will defend Denmark and northern Germany against attack by the Warsaw Pact lands along a line from Lubeck to the Elbe. The terrain here is very rough with large wetland areas, the ridges of so-called Holstein Switzerland and thickly populated areas.

It is hoped that almost 90,000 men could be mobilized for this purpose in a crisis situation. The nucleus is the 6th German tank division, which is based in the area, and the Jutland Division, which should be in position within 2 or 3 days. In addition there will be reinforcements in the form of the British United Kingdom Mobile Force, American Marines from the 4th Marine Amphibious Brigade, the 9th American division and perhaps units from the Royal British and Dutch Marines as well as local Schleswig-Holstein defense units.

The NATO troops will also have at their disposal the 160 combat planes of the Danish-West German defense systems and a similar number from the reinforcing nations. At sea however the small Danish-German naval force stands alone against the massive Warsaw Pact force.

Defensive Defense

Experts at the Defense Ministry in Bonn and West German military leaders in the exercise area rejected in the Bold Guard context the concept of defensive defense which Danish Social Democrats and others have advocated and which is based on pulling all Danish forces back behind our borders and getting rid of all offensive weapons in order to avoid provoking the Soviet Union.

By maintaining advanced defense we could avoid turning Denmark into a battleground in a crisis, they said and stressed that the defensive ideas that are circulating among West German Social Democrats make defensive defense dependent on the potential attackers, the Warsaw Pact lands, introducing a similar system.

MILITARY

DENMARK

NEW OFFICERS TRAINING SCHOOL UNDER CONSIDERATION

Copenhagen BERLINGSKE TIDENDE in Danish 27 Sep 86 p 4

[Article by Nils Eric Boesgaard; first paragraph is BERLINGSKE TIDENDE introduction]

[Text] More cadets and a new officers training school that could attract men from Jutland who do not want to move to Copenhagen could help solve the defense system's officer problem, according to a statement made by the defense minister in connection with the departure of officers from the Danish Armed Forces.

A new officers training school in Jutland and the acceptance of a larger number of cadets are two of the measures Defense Minister Hans Engell is considering to alleviate the exodus of military officers.

"But there are no concrete plans yet," the minister told BERLINGSKE TIDENDE in the context of the special feature issue of FORSVARET I DAG concerning what is wrong with the defense system. It revealed among other things that at present the defense force is 400 officers short and that it is feared the figure will rise to 800 in the foreseeable future.

Moving Expensive

"The resignation of officers is a big problem. Among the reasons given are wages and employment conditions, including the frequency of transfers, but the lack of political support for the defense system is also mentioned," the minister said.

"Transfers play a major role for many people. We must realize that Danish society is less mobile today. In most families both man and wife work and it is hard and expensive to move. This means that many people are less willing to live in 10 or 15 different places in the course of their career.

"In this context I would like to say that we will try to avoid the very large number of transfers in our personnel planning for the next few years.

"I have no doubt that the debate on what is known as defensive defense and the many attacks on the effectiveness and leadership of the defense system

have helped to create uncertainty. I regard this as a very unfortunate and serious situation. The politicians responsible for the succession of compromise agreements must also support the defense system and its officer corps," said the defense minister, who concluded:

"We are all pleased with the continued expansion on the private labor market. But this means at the same time that there is competition for young workers. If the military is to be able to maintain its target force a substantial increase in the number of cadets will be necessary. Along with this we should consider setting up a new officers training school in Jutland to accommodate the large number of young people from Jutland who would like to receive training as officers but are hesitant about moving to Copenhagen."

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MILITARY

GREECE

DICA, BASES AGREEMENTS, RELATIONS WITH UNITED STATES ON AGENDA

Athens POLITIKA THEMATA in Greek 12-18 Sep 86 p 14

[Text] The Greek-American relations agenda is now relatively heavy:

--On 16 September, Secretary of State George Shultz will hold a special meeting with ND Chairman K. Mitsotakis.

--On the occasion of the U.N. General Assembly meeting, Shultz will meet his Greek counterpart Karolos Papoulias

--On 20 November, the meeting which was scheduled long ago between the two foreign ministers will be resumed during the winter meeting of the foreign ministers of NATO's country-members.

In the meantime, it appears that various official and unofficial envoys have been instructed to determine, each in his respective area, the level of the Greek-American relations and of the special issues which comprise the whole complex (bases, amount of assistance, military expenses, industrial defensive cooperation, supply of materiel, et al.)

(The SUNDAY VIMA correspondent reported that two of the envoys, William Simonds, a former official of the Pentagon's Political Directorate and Allan Plat, former State Department senior official, have been commissioned by the Rand Corporation to come here for the purpose of preparing a study on the U.S. agreements in the area of NATO's southern wing.)

Among the several pending bilateral issues are:

--The agreement to be signed concerning the "Voice of America." (An American delegation will come to Athens on 29 October for the final round of talks.)

--The work status of Greeks employed at the American bases and the legal status of Americans serving in Greece.

What did Keeley Want?

One of the issues American Ambassador Robert Keeley discussed concerned the housing project in the area of Argyroupolis in Makedonia for the American personnel charged with the security and maintenance of the nuclear weapons which are stored underground in that area. These weapons are rather of old design given that the Papandreou government has banned their replacement with more modern weapons. It is reminded that, contrary to past statements by Papandreou, at a press conference he held in Salonica, he accepted the presence of atomic weapons in Greece.

According to information given to POLITIKA IHEMATA the housing project in Argyroupolis was agreed upon at the high level talks last spring. Suddenly, officials at relatively lower level raised obstacles by advancing environmental and formalistic arguments. [Deputy Foreign Minister] Kapsis assured the American ambassador that he will inquire into the matter and that any difficulties will be removed.

The DICA Mission

Last Saturday, 6 September, a six-member mission arrived in Athens for the purpose of holding discussions on the Industrial and Defense Cooperation [DICA] agreement. Heading the mission is Dr Spyros G. Pallas, a senior Pentagon official of Greek descent. Besides Navy Admiral Gerald Abbot all other mission members are non-military. During its stay here the mission will visit the Greek Aerospace Industry, the Munitions and Cardridge Industry [PYRKAL], the Stayer Hellas in Salonica and the tank factory at Velestino.

The mission will depart on 19 September. The signing of the DICA agreement will depend on the results of the mission's study. However, a government source has expressed optimism.

The NATO military authorities and the American mission here (Jusmagg) are looking for another airport in Greece which could be used by modern military aircraft in case of emergency. There are reports that the military airport in Andravida has attracted special interest. It was recently visited by T. Brown, commander of NATO's south wing air forces. Another element is the use of the airport by a squadron of F-16 fighters which are continuously taken off and landing in an effort to ascertain the suitability of the airport.

Among the pending bilateral issues are:

—The "Voice of America." At issue is the duration of the agreement to be signed. (On 29 October an American delegation will come to Athens for the final round of talks.)

—Cooperation in the defensive industry sector. Already an American delegation has arrived in Greece. It is surveying Greek industries in order to ascertain their possibilities in the war industry sector.

—The work status of Greek employed at the American bases and the legal status of Americans serving in Greece.

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MILITARY

SWEDEN

LIBERALS BACK DEFENSE FUNDS INCREASE, AIR-TO-AIR MISSILE

Westerberg Backs Domestic Missile

Stockholm DAGENS NYHETER in Swedish 10 Sep 86 p 10

[Article by Kaa Eneberg]

[Text] Visby--If it is possible to come up with reasonable cost estimates and if Swedish industry helps out, the radar-guided air-to-air missile with which the future JAS fighter plane system is to be equipped ought to be produced in Sweden. That is what Liberal Party leader Bengt Westerberg told DAGENS NYHETER on Tuesday as he was traveling around nonsocialist-governed Gotland.

The Liberal Party is recommending an increase of 600 million kronor per year during the 5 years that will be covered by next year's defense decision. The cost of the missile--roughly 1 billion kronor over a 5-year period--is not included in that increase.

In Visby that evening, Westerberg delivered a speech on defense policy to Gotland residents interested in defense. He strongly emphasized the need to give the Army--the most neglected branch of the Armed Forces--"a modern structure."

Westerberg said: "Unfortunately, we must point out that neither the supreme commander of the Armed Forces [OB] nor anyone else today has a real picture of how the future Army should look. This applies to both the wartime organization and the peacetime organization."

He pointed out that the Swedish Army today is being hauled around in old equipment, including tanks that are one or two generations too old.

"It is probable that the question of procuring a new tank for the Army will be postponed until the 1992 defense decision," said Westerberg, who considers it essential that "work to give the Army a modern structure" begin as soon as possible.

Westerberg said that the guidelines for carrying out that modernization must be included in the upcoming defense decision, which will come next spring, and

he mentioned a reduction in the number of Army units as a good way to go. Not primarily to save money, but as a way of making it possible to redistribute officers and NCO's. Very generally, quality should be improved at the expense of manpower, said Westerberg. Regardless of what shape the future Army takes, its lack of transport helicopters, primarily for transporting the sick, should be corrected as soon as possible. Also needed are medium-range surface-to-air missiles and protective vests for the troops, said Westerberg.

Swedish Missile

The Defense Committee and the OB are busy investigating the possibility of producing the JAS system's missile armament in Sweden. The results are expected this fall. But the cost of those missiles is not included in the economic frameworks that the Defense Committee has asked the OB to clarify.

The Social Democrats have already expressed their desire to see at least some parts of the missile produced in Sweden.

Last year, Westerberg was the first of the party leaders to state his party's view that the cost of building up the Armed Forces under the 1987 defense decision would come to 600 million kronor. Both the Center Party and the Conservatives later came up with slightly higher figures.

During his appearance at the Borgen Assembly Hall in Visby, Westerberg repeatedly emphasized the need for a unanimous defense decision.

Desirable Unity

"Such unity has extraordinarily great value as far as the rest of the world is concerned. It gives the Swedish neutrality policy credibility and strength.

"We already know that there is broad agreement in our basic views on security policy. It would obviously be of great value to achieve equally broad agreement on the direction to be taken by the organization and on the cost of defense," said Westerberg.

He referred to the four-party agreement in 1984 that saved three Draken squadrons and pointed out that the Liberal Party is again open to discussions with other parties for the purpose of finding broad solutions.

Westerberg does not see any contradiction between "that ambition and the fact that the Liberal Party has clearly indicated which areas within the Armed Forces must be given priority."

Besides modernization of the Army and improved air defense weapons, Westerberg also emphasized the importance of the work to further strengthen antisubmarine defenses. Among other things, we should investigate the possibility of extending the service life of our existing submarines when new units are added in the 1990's. Also needed are shore missiles that can be based on Gotland and elsewhere.

It should be possible to increase the number of air squadrons without spending 2 billion kronor to procure more Viggen aircraft, as the OB has requested. Besides the three Draken squadrons that have already been decided on, older Draken aircraft can be used. Considering the coming JAS aircraft, the Liberal Party is questioning the procurement of more Viggens.

In civil defense, where the personnel should be rejuvenated, the party is recommending that conscripts be trained for command positions. In addition, the administration of civil defense should be transferred from the central government to the municipalities.

Westerberg also criticized faulty planning in connection with the development of air raid shelters in the country. It is unsatisfactory that so many people living close to probable bombing targets are not being provided with shelters. Westerberg said that air raid shelters are routinely being built far away from such targets.

Liberals' Security Stand Viewed

Stockholm DAGENS NYHETER in Swedish 10 Sep 86 p 2

[Editorial: "Westerberg Gives the Armed Forces a Boost"]

[Text] The Liberal Party was first among the parties to start the bidding in connection with the Armed Forces. As early as November of last year, Bengt Westerberg stated in a speech in Boden that an increase in the defense appropriation to the OB's so-called plus level--later set at an additional 600 million kronor per year--was what would be required. At the same time, he was able to present a well-substantiated but perhaps too lengthy list of equipment that should be procured during the 5-year period: missiles for the JAS plane, more shore missiles and naval mines, splinter protection for the Army's soldiers, and more helicopters and surface-to-air missiles for the Army's advanced units.

The Center and Conservative Parties then made their bids, with the Center Party calling for a 2-percent annual increase and the Conservatives offering 1.2 percent. This means that over the 5-year period from 1987 to 1992, the Liberals would provide an additional 3 billion kronor for the Armed Forces, while the Center Party would provide 4 billion and the Conservatives would provide 6 billion kronor [figures and percentages as published]. The Social Democrats have not yet taken a stand on the appropriation issue, but of the four appropriation levels which the party considered it worthwhile to have the OB investigate, the highest level comes closest to the annual increase of 600 million kronor being proposed by the Liberal Party.

This means that from the standpoint of party politics, the Liberal Party has wound up in a somewhat embarrassing position, especially since the OB claimed in his program plan that the party's expectations as far as materiel is concerned do not fit into the proposed cost limits. An upward adjustment of the proposed appropriation has come to seem increasingly necessary, both objectively and from the standpoint of party tactics. The Liberal Party

cannot reasonably agree with the Social Democrats on a defense policy which in fact would not satisfy the party's own ambitions.

Not entirely unexpectedly, Bengt Westerberg was therefore willing to reconsider the matter when he visited Visby on Tuesday to again talk about defense policy. The Liberal Party is sticking to its views on the procurement of materiel and, as a consequence, is willing to raise the appropriation level one more step. To get past the stalemate over how the defense appropriation should be calculated--as a fixed amount or a percentage--Westerberg proposed that the defense cost index be adjusted to give more weight to increases in materiel costs. Looked at objectively, that is a compromise that should be acceptable to both the Conservatives and the Center Party.

After that, the nonsocialist parties will be closer to each other on the issue of the defense appropriation. But Westerberg emphasized that higher appropriations should not be used to acquire another squadron of J-37 Viggens, as the OB and the Conservatives have proposed. Instead, the Liberal Party wants to use the squadron of Draken aircraft in the Tullinge Wing that was recently closed down--a considerably cheaper solution while waiting for the JAS to be available. At the same time, Westerberg stressed the Liberal Party's interest in developing a Swedish air-to-air missile for the JAS, since the alternative would be to try to procure a U.S. missile on uncertain conditions.

A Swedish missile has its advantages from the standpoint not only of security policy but also perhaps of industrial policy. But an advanced weapon will cost a great deal to develop and produce. Without further increases in the appropriation level, the price of the Swedish missile may be too high for the Armed Forces.

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